

Form 990

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

► The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2003

Open to Public
Inspection

A For the 2003 calendar year, or tax year beginning

and ending

B Check if applicable

Please use IRS label or print or type. See Specific Instructions

 Address change Name change Initial return Final return Amended return Application pending

C Name of organization

GEORGE C. MARSHALL RESEARCH FOUNDATION

D Employer identification number

54-6052427

Number and street (or P O box if mail is not delivered to street address)

P. O. BOX 1600

Room/suite

E Telephone number

(540) 463-7103

City or town, state or country, and ZIP + 4

LEXINGTON, VA 24450

F Accounting method

 Cash Accrual
 Other (specify) ►

- Section 501(c)(3) organizations and 4947(a)(1) nonexempt charitable trusts must attach a completed Schedule A (Form 990 or 990-EZ).

H and I are not applicable to section 527 organizations.

H(a) Is this a group return for affiliates? Yes No

H(b) If "Yes," enter number of affiliates ►

H(c) Are all affiliates included? N/A Yes No
(If "No," attach a list.)H(d) Is this a separate return filed by an organization covered by a group ruling? Yes No

I Group Exemption Number ►

M Check ► if the organization is not required to attach Sch B (Form 990, 990-EZ, or 990-PF).

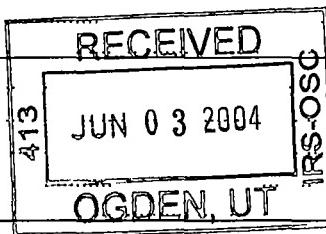
G Website: ► WWW.MARSHALLFOUNDATION.ORG

J Organization type (check only one) ► 501(c)(3) (Insert no) 4947(a)(1) or 527K Check here ► if the organization's gross receipts are normally not more than \$25,000. The organization need not file a return with the IRS, but if the organization received a Form 990 Package in the mail, it should file a return without financial data. Some states require a complete return.

L Gross receipts Add lines 6b, 8b, 9b, and 10b to line 12 ► 13,113,998.

Part I Revenue, Expenses, and Changes in Net Assets or Fund Balances

1	Contributions, gifts, grants, and similar amounts received.			
a	Direct public support	1a	1,885,092.	
b	Indirect public support	1b		
c	Government contributions (grants)	1c	287,003.	
d	Total (add lines 1a through 1c) (cash \$ 2,172,095. noncash \$)	1d	2,172,095.	
2	Program service revenue including government fees and contracts (from Part VII, line 93)	2	244,366.	
3	Membership dues and assessments	3		
4	Interest on savings and temporary cash investments	4	1,056.	
5	Dividends and interest from securities	5	262,172.	
6 a	Gross rents	6a		
b	Less: rental expenses	6b		
c	Net rental income or (loss) (subtract line 6b from line 6a)			
7	Other investment income (describe ►)	7		
8 a	Gross amount from sales of assets other than inventory	(A) Securities	(B) Other	
b	Less cost or other basis and sales expenses	10,403,169.	8a	
c	Gain or (loss) (attach schedule)	9,317,341.	8b	
d	Net gain or (loss) (combine line 8c, columns (A) and (B))	1,085,828.	8c	
		STMT 1		
9	Special events and activities (attach schedule) If any amount is from gaming, check here ► <input type="checkbox"/>			
a	Gross revenue (not including \$ 1,022,009. of contributions reported on line 1a)	9a		
b	Less direct expenses other than fundraising expenses	9b		
c	Net income or (loss) from special events (subtract line 9b from line 9a)			
10 a	Gross sales of inventory, less returns and allowances	SEE STATEMENT 2		
b	Less cost of goods sold	10a	27,874.	
c	Gross profit or (loss) from sales of inventory (attach schedule) (subtract line 10b from line 10a)	10b	21,972.	
11	Other revenue (from Part VII, line 103)	STMT 3		
12	Total revenue (add lines 1d, 2, 3, 4, 5, 6c, 7, 8d, 9c, 10c, and 11)	10c	5,902.	
13	Program services (from line 44, column (B))	11	3,266.	
14	Management and general (from line 44, column (C))	12	3,774,685.	
15	Fundraising (from line 44, column (D))	13	1,743,769.	
16	Payments to affiliates (attach schedule)	14	271,316.	
17	Total expenses (add lines 16 and 44, column (A))	15	351,363.	
18	Excess or (deficit) for the year (subtract line 17 from line 12)	16		
19	Net assets or fund balances at beginning of year (from line 73, column (A))	17	2,366,448.	
20	Other changes in net assets or fund balances (attach explanation)	18	1,408,237.	
21	Net assets or fund balances at end of year (combine lines 18, 19, and 20)	19	7,170,187.	
		SEE STATEMENT 5	20	131,430.
			21	8,709,854.



GEORGE C. MARSHALL RESEARCH FOUNDATION

54-6052427

Part II Statement of Functional Expenses All organizations must complete column (A). Columns (B), (C), and (D) are required for section 501(c)(3) and (4) organizations and section 4947(a)(1) nonexempt charitable trusts but optional for others

Page 2

Do not include amounts reported on line 6b, 8b, 9b, 10b, or 16 of Part I.	(A) Total	(B) Program services	(C) Management and general	(D) Fundraising
22 Grants and allocations (attach schedule)	22			
cash \$ _____ noncash \$ _____				
23 Specific assistance to individuals (attach schedule)	23	7,250.	7,250.	STATEMENT 9
24 Benefits paid to or for members (attach schedule)	24			
25 Compensation of officers, directors, etc	25	200,750.	50,187.	50,188.
26 Other salaries and wages	26	904,796.	689,909.	97,792.
27 Pension plan contributions	27	44,794.	26,420.	7,440.
28 Other employee benefits	28	106,648.	62,901.	17,714.
29 Payroll taxes	29	72,565.	49,501.	9,339.
30 Professional fundraising fees	30			
31 Accounting fees	31	11,500.	5,166.	2,565.
32 Legal fees	32	927.	927.	
33 Supplies	33	39,665.	31,915.	3,582.
34 Telephone	34	25,210.	17,865.	2,888.
35 Postage and shipping	35	26,383.	16,970.	4,851.
36 Occupancy	36	41,175.	37,057.	2,059.
37 Equipment rental and maintenance	37	14,153.	8,848.	2,246.
38 Printing and publications	38	59,082.	38,498.	15,726.
39 Travel	39	131,330.	106,340.	6,619.
40 Conferences, conventions, and meetings	40	123,387.	123,387.	
41 Interest	41	4,042.	2,384.	671.
42 Depreciation, depletion, etc (attach schedule)	42	53,482.	48,134.	2,674.
43 Other expenses not covered above (itemize):				
a _____	43a			
b _____	43b			
c _____	43c			
d _____	43d			
e SEE STATEMENT 6	43e	499,309.	420,110.	44,962.
Total functional expenses (add lines 22 through 43) Organizations completing columns (B)-(D), carry these totals to lines 13-15	44	2,366,448.	1,743,769.	271,316.
				351,363.

Joint Costs. Check ► if you are following SOP 98-2.Are any joint costs from a combined educational campaign and fundraising solicitation reported in (B) Program services? ► Yes No

If "Yes," enter (I) the aggregate amount of these joint costs \$ _____, (II) the amount allocated to Program services \$ _____;

(III) the amount allocated to Management and general \$ _____, and (IV) the amount allocated to Fundraising \$ _____.

Part III Statement of Program Service Accomplishments

What is the organization's primary exempt purpose? ► SEE STATEMENT 7

Program Service Expenses

(Required for 501(c)(3) and (4) orgs, and 4947(a)(1) trusts, but optional for others.)

a OUTREACH ACTIVITIES--INCLUDES ROTC CONFERENCE CONDUCTED IN PARTNERSHIP WITH THE UNITED STATES ARMY TRAINING AND DOCTRINE COMMAND	(Grants and allocations \$)	240,343.
b GEORGE C MARSHALL AWARD AND DINNER AWARD TO GENERAL & SECRETARY OF STATE COLIN POWELL AND ASSOCIATED PROGRAM COSTS	(Grants and allocations \$)	373,545.
c SEE STATEMENT 8	(Grants and allocations \$)	188,256.
d EDUCATION & LEADERSHIP PROGRAMS INCLUDES 20TH CENTURY ROLE MODELS, BARUCH FELLOWSHIPS, JROTC AND CHICAGO HIGH SCHOOL REDESIGN INITIATIVE	(Grants and allocations \$)	612,569.
e Other program services (attach schedule)	STATEMENT 10 (Grants and allocations \$)	329,056.
f Total of Program Service Expenses (should equal line 44, column (B), Program services)	►	1,743,769.

Part IV Balance Sheets

Note: Where required, attached schedules and amounts within the description column should be for end-of-year amounts only.			(A) Beginning of year	(B) End of year
	45 Cash - non-interest-bearing		400.	400.
	46 Savings and temporary cash investments		73,612.	381,035.
	47 a Accounts receivable	47a	44,986.	
	b Less allowance for doubtful accounts	47b		44,986.
	48 a Pledges receivable	48a	1,337,570.	
	b Less allowance for doubtful accounts	48b		1,337,570.
	49 Grants receivable		1,261,161.	12,500.
	50 Receivables from officers, directors, trustees, and key employees		51,901.	50
Assets	51 a Other notes and loans receivable	51a		
	b Less allowance for doubtful accounts	51b		51c
	52 Inventories for sale or use		67,029.	60,460.
	53 Prepaid expenses and deferred charges		16,204.	21,495.
	54 Investments - securities	STMT 11 STMT 12 ► <input type="checkbox"/> Cost <input checked="" type="checkbox"/> FMV	6,431,807.	7,231,390.
	55 a Investments - land, buildings, and equipment basis	55a		
	b Less accumulated depreciation	55b		55c
	56 Investments - other			56
	57 a Land, buildings, and equipment basis	57a	1,533,004.	
	b Less accumulated depreciation	57b	1,123,320.	402,544.
	58 Other assets (describe ► RESTRICTED CASH)		91,725.	29,264.
	59 Total assets (add lines 45 through 58) (must equal line 74)		8,396,383.	9,528,784.
Liabilities	60 Accounts payable and accrued expenses		169,261.	199,965.
	61 Grants payable		12,170.	61
	62 Deferred revenue		825,378.	575,378.
	63 Loans from officers, directors, trustees, and key employees			63
	64 a Tax-exempt bond liabilities			64a
	b Mortgages and other notes payable		110,000.	64b
	65 Other liabilities (describe ► SEE STATEMENT 13)		109,387.	43,587.
	66 Total liabilities (add lines 60 through 65)		1,226,196.	818,930.
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here ► <input checked="" type="checkbox"/> and complete lines 67 through 69 and lines 73 and 74			
	67 Unrestricted		3,266,308.	4,391,083.
	68 Temporarily restricted		413,345.	783,943.
	69 Permanently restricted		3,490,534.	3,534,828.
	Organizations that do not follow SFAS 117, check here ► <input type="checkbox"/> and complete lines 70 through 74			
	70 Capital stock, trust principal, or current funds			70
	71 Paid-in or capital surplus, or land, building, and equipment fund			71
	72 Retained earnings, endowment, accumulated income, or other funds			72
	73 Total net assets or fund balances (add lines 67 through 69 or lines 70 through 72; column (A) must equal line 19, column (B) must equal line 21)		7,170,187.	8,709,854.
	74 Total liabilities and net assets / fund balances (add lines 66 and 73)		8,396,383.	9,528,784.

Form 990 is available for public inspection and, for some people, serves as the primary or sole source of information about a particular organization. How the public perceives an organization in such cases may be determined by the information presented on its return. Therefore, please make sure the return is complete and accurate and fully describes, in Part III, the organization's programs and accomplishments.

Part IV-A Reconciliation of Revenue per Audited Financial Statements with Revenue per Return		Part IV-B Reconciliation of Expenses per Audited Financial Statements with Expenses per Return	
a Total revenue, gains, and other support per audited financial statements	► a 3,918,817.	a Total expenses and losses per audited financial statements	► a 2,379,150.
b Amounts included on line a but not on line 12, Form 990		b Amounts included on line a but not on line 17, Form 990	
(1) Net unrealized gains on investments \$ 131,430.		(1) Donated services and use of facilities \$ _____	
(2) Donated services and use of facilities \$ _____		(2) Prior year adjustments reported on line 20, Form 990 \$ _____	
(3) Recoveries of prior year grants \$ _____		(3) Losses reported on line 20, Form 990 \$ _____	
(4) Other (specify)		(4) Other (specify)	
STMT 14 \$ 21,972.		STMT 15 \$ 21,972.	
Add amounts on lines (1) through (4)	► b 153,402.	Add amounts on lines (1) through (4)	► b 21,972.
c Line a minus line b	► c 3,765,415.	c Line a minus line b	► c 2,357,178.
d Amounts included on line 12, Form 990 but not on line a:		d Amounts included on line 17, Form 990 but not on line a:	
(1) Investment expenses not included on line 6b, Form 990 \$ 9,270.		(1) Investment expenses not included on line 6b, Form 990 \$ 9,270.	
(2) Other (specify) \$ _____		(2) Other (specify) \$ _____	
Add amounts on lines (1) and (2)	► d 9,270.	Add amounts on lines (1) and (2)	► d 9,270.
e Total revenue per line 12, Form 990 (line c plus line d)	► e 3,774,685.	e Total expenses per line 17, Form 990 (line c plus line d)	► e 2,366,448.

Part V List of Officers, Directors, Trustees, and Key Employees (List each one even if not compensated)

75 Did any officer, director, trustee, or key employee receive aggregate compensation of more than \$100,000 from your organization and all related organizations, of which more than \$10,000 was provided by the related organizations? If "Yes," attach schedule ► Yes No

Part VI Other Information		Yes	No
76	Did the organization engage in any activity not previously reported to the IRS? If "Yes," attach a detailed description of each activity	76	X
77	Were any changes made in the organizing or governing documents but not reported to the IRS? If "Yes," attach a conformed copy of the changes	77	X
78 a	Did the organization have unrelated business gross income of \$1,000 or more during the year covered by this return?	78a	X
b	If "Yes," has it filed a tax return on Form 990-T for this year?	78b	
79	Was there a liquidation, dissolution, termination, or substantial contraction during the year? If "Yes," attach a statement	79	X
80 a	Is the organization related (other than by association with a statewide or nationwide organization) through common membership, governing bodies, trustees, officers, etc., to any other exempt or nonexempt organization?	80a	X
b	If "Yes," enter the name of the organization ►	and check whether it is <input type="checkbox"/> exempt or <input type="checkbox"/> nonexempt	
81 a	Enter direct or indirect political expenditures See line 81 instructions	81a	0.
b	Did the organization file Form 1120-POL for this year?	81b	X
82 a	Did the organization receive donated services or the use of materials, equipment, or facilities at no charge or at substantially less than fair rental value?	82a	X
b	If "Yes," you may indicate the value of these items here Do not include this amount as revenue in Part I or as an expense in Part II (See instructions in Part III)	82b	
83 a	Did the organization comply with the public inspection requirements for returns and exemption applications?	83a	X
b	Did the organization comply with the disclosure requirements relating to quid pro quo contributions?	83b	X
84 a	Did the organization solicit any contributions or gifts that were not tax deductible?	84a	X
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?	84b	
85	501(c)(4), (5), or (6) organizations. a Were substantially all dues nondeductible by members?	85a	N/A
b	Did the organization make only in-house lobbying expenditures of \$2,000 or less? If "Yes" was answered to either 85a or 85b, do not complete 85c through 85h below unless the organization received a waiver for proxy tax owed for the prior year	85b	N/A
c	Dues, assessments, and similar amounts from members	85c	N/A
d	Section 162(e) lobbying and political expenditures	85d	N/A
e	Aggregate nondeductible amount of section 6033(e)(1)(A) dues notices	85e	N/A
f	Taxable amount of lobbying and political expenditures (line 85d less 85e)	85f	N/A
g	Does the organization elect to pay the section 6033(e) tax on the amount on line 85f?	85g	N/A
h	If section 6033(e)(1)(A) dues notices were sent, does the organization agree to add the amount on line 85f to its reasonable estimate of dues allocable to nondeductible lobbying and political expenditures for the following tax year?	85h	N/A
86	501(c)(7) organizations. Enter. a Initiation fees and capital contributions included on line 12	86a	N/A
b	Gross receipts, included on line 12, for public use of club facilities	86b	N/A
87	501(c)(12) organizations. Enter. a Gross income from members or shareholders b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	87a	N/A
		87b	N/A
88	At any time during the year, did the organization own a 50% or greater interest in a taxable corporation or partnership, or an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? If "Yes," complete Part IX	88	X
89 a	501(c)(3) organizations. Enter Amount of tax imposed on the organization during the year under section 4911 ► 0. , section 4912 ► 0. ; section 4955 ► 0.	89b	X
b	501(c)(3) and 501(c)(4) organizations. Did the organization engage in any section 4958 excess benefit transaction during the year or did it become aware of an excess benefit transaction from a prior year? If "Yes," attach a statement explaining each transaction		
c	Enter Amount of tax imposed on the organization managers or disqualified persons during the year under sections 4912, 4955, and 4958		0.
d	Enter Amount of tax on line 89c, above, reimbursed by the organization		0.
90 a	List the states with which a copy of this return is filed ► <u>VIRGINIA, NEW YORK</u>	90b	20
b	Number of employees employed in the pay period that includes March 12, 2003		
91	The books are in care of ► <u>MARY LOWERY</u> Telephone no ► <u>(540) 463-7103</u>		
Located at ► <u>P. O. BOX 1600, LEXINGTON, VIRGINIA</u>		ZIP + 4	► <u>24450</u>
92	Section 4947(a)(1) nonexempt charitable trusts filing Form 990 in lieu of Form 1041- Check here and enter the amount of tax-exempt interest received or accrued during the tax year	92	► <input type="checkbox"/>

Part VII Analysis of Income-Producing Activities (See page 33 of the instructions)

Note: Enter gross amounts unless otherwise indicated.

Note: Enter gross amounts unless otherwise indicated.	Unrelated business income		Excluded by section 512, 513, or 514		(E) Related or exempt function income
	(A) Business code	(B) Amount	(C) Exclusion code	(D) Amount	
93 Program service revenue			06	20,492.	
a MUSEUM ADMISSIONS			06	1,592.	
b SUMMER TEACHERS CONFERE					
c					
d					
e					
f Medicare/Medicaid payments					
g Fees and contracts from government agencies			06	222,282.	
94 Membership dues and assessments					
95 Interest on savings and temporary cash investments			14	1,056.	
96 Dividends and interest from securities			14	262,172.	
97 Net rental income or (loss) from real estate					
a debt-financed property					
b not debt-financed property					
98 Net rental income or (loss) from personal property					
99 Other investment income					
100 Gain or (loss) from sales of assets other than inventory			18	1,085,828.	
101 Net income or (loss) from special events					
102 Gross profit or (loss) from sales of inventory			12	5,902.	
103 Other revenue.					
a MISCELLANEOUS			01	3,266.	
b					
c					
d					
e					
104 Subtotal (add columns (B), (D), and (E))		0.		1,602,590.	0.
105 Total (add line 104, columns (B), (D), and (E))					1,602,590.

Note: Line 105 plus line 1d, Part I, should equal the amount on line 12, Part I.

Part VIII Relationship of Activities to the Accomplishment of Exempt Purposes (See page 34 of the instructions)

Line No. Explain how each activity for which income is reported in column (E) of Part VII contributed importantly to the accomplishment of the organization's exempt purposes (other than by providing funds for such purposes).

Part IX Information Regarding Taxable Subsidiaries and Disregarded Entities (See page 34 of the instructions.)

(A) Name, address, and EIN of corporation, partnership, or disregarded entity	(B) Percentage of ownership interest	(C) Nature of activities	(D) Total income	(E) End-of-year assets
	%			
N/A	%			
	%			
	%			

Part X Information Regarding Transfers Associated with Personal Benefit Contracts (See page 34 of the instructions)

- (a) Did the organization, during the year, receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? Yes No

(b) Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? Yes No

Note: If "Yes" to (b), file Form 8870 and Form 4720 (see instructions).

Please Sign Here		Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.		
	Signature of officer	Date	Type or print name and title.	
Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed	Preparer's SSN or PTIN
323161 12-17-03	RAETZ & HAWKINS PC CPAS 128 SOUTH RANDOLPH STREET LEXINGTON, VIRGINIA 24450-0916		<input type="checkbox"/>	P00084879
			EIN	► 54-1298267
			Phone no. ► (540) 463-7121	

SCHEDULE A
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Organization Exempt Under Section 501(c)(3)

(Except Private Foundation) and Section 501(e), 501(f), 501(k),
501(n), or Section 4947(a)(1) Nonexempt Charitable Trust

Supplementary Information-(See separate instructions.)

► MUST be completed by the above organizations and attached to their Form 990 or 990-EZ

OMB No 1545-0047

2003

Name of the organization

GEORGE C. MARSHALL RESEARCH FOUNDATION

Employer identification number
54 6052427

Part I Compensation of the Five Highest Paid Employees Other Than Officers, Directors, and Trustees

(See page 1 of the instructions List each one if there are none, enter "None.")

(a) Name and address of each employee paid more than \$50,000	(b) Title and average hours per week devoted to position	(c) Compensation	(d) Contributions to employee benefit plans & deferred compensation	(e) Expense account and other allowances
LINDA M. MAINI 19 GREY DOVE ROAD, LEXINGTON VA 2445040	OUTREACH PROG	70,628.	5,099.	1,531.
BRYAN D SHAW 1 QUAIL COVEY ROAD LEXINGTON VA 2445040	ADVANCE & COM	83,754.	3,150.	3,403.
MICHAEL H FARLEY 550 IVY COURT, LAKE FOREST, IL 60045	EDUCATIONAL	104,036.	4,000.	1,604.
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----
Total number of other employees paid over \$50,000	► 0			

Part II Compensation of the Five Highest Paid Independent Contractors for Professional Services

(See page 2 of the instructions List each one (whether individuals or firms). If there are none, enter "None")

(a) Name and address of each independent contractor paid more than \$50,000	(b) Type of service	(c) Compensation
NONE		
-----	-----	-----
-----	-----	-----
-----	-----	-----
-----	-----	-----
-----	-----	-----
-----	-----	-----
Total number of others receiving over \$50,000 for professional services	► 0	

Part III Statements About Activities (See page 2 of the instructions)			Yes	No
1	During the year, has the organization attempted to influence national, state, or local legislation, including any attempt to influence public opinion on a legislative matter or referendum? If "Yes," enter the total expenses paid or incurred in connection with the lobbying activities ► \$ _____ \$ _____ (Must equal amounts on line 38, Part VI-A, or line i of Part VI-B)			1 X
	Organizations that made an election under section 501(h) by filing Form 5768 must complete Part VI-A. Other organizations checking "Yes," must complete Part VI-B AND attach a statement giving a detailed description of the lobbying activities			
2	During the year, has the organization, either directly or indirectly, engaged in any of the following acts with any substantial contributors, trustees, directors, officers, creators, key employees, or members of their families, or with any taxable organization with which any such person is affiliated as an officer, director, trustee, majority owner, or principal beneficiary? (If the answer to any question is "Yes," attach a detailed statement explaining the transactions.)			
a	Sale, exchange, or leasing of property?			2a X
b	Lending of money or other extension of credit?			2b X
c	Furnishing of goods, services, or facilities?			2c X
d	Payment of compensation (or payment or reimbursement of expenses if more than \$1,000)? SEE PART V, FORM 990			2d X
e	Transfer of any part of its income or assets?			2e X
3 a	Do you make grants for scholarships, fellowships, student loans, etc ? (If "Yes," attach an explanation of how you determine that recipients qualify to receive payments)			SEE STATEMENT 17
b	Do you have a section 403(b) annuity plan for your employees?			
4	Did you maintain any separate account for participating donors where donors have the right to provide advice on the use or distribution of funds?			4 X

Part IV Reason for Non-Private Foundation Status (See pages 3 through 6 of the instructions.)

The organization is not a private foundation because it is (Please check only ONE applicable box.)

- 5 A church, convention of churches, or association of churches Section 170(b)(1)(A)(i)
- 6 A school Section 170(b)(1)(A)(ii) (Also complete Part V)
- 7 A hospital or a cooperative hospital service organization Section 170(b)(1)(A)(iii)
- 8 A Federal, state, or local government or governmental unit. Section 170(b)(1)(A)(v)
- 9 A medical research organization operated in conjunction with a hospital Section 170(b)(1)(A)(iii) Enter the hospital's name, city, and state ► _____
- 10 An organization operated for the benefit of a college or university owned or operated by a governmental unit Section 170(b)(1)(A)(iv)
(Also complete the Support Schedule in Part IV-A)
- 11a An organization that normally receives a substantial part of its support from a governmental unit or from the general public.
Section 170(b)(1)(A)(vi) (Also complete the Support Schedule in Part IV-A)
- 11b A community trust Section 170(b)(1)(A)(vi) (Also complete the Support Schedule in Part IV-A)
- 12 An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its charitable, etc , functions - subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See section 509(a)(2) (Also complete the Support Schedule in Part IV-A)
- 13 An organization that is not controlled by any disqualified persons (other than foundation managers) and supports organizations described in
(1) lines 5 through 12 above; or (2) section 501(c)(4), (5), or (6), if they meet the test of section 509(a)(2). (See section 509(a)(3))

Provide the following information about the supported organizations (See page 5 of the instructions.)

	(a) Name(s) of supported organization(s)	(b) Line number from above

- 14 An organization organized and operated to test for public safety. Section 509(a)(4) (See page 6 of the instructions.)

Part IV-A Support Schedule (Complete only if you checked a box on line 10, 11, or 12.) Use cash method of accounting.
 Note: You may use the worksheet in the instructions for converting from the accrual to the cash method of accounting.

Calendar year (or fiscal year beginning in)	(a) 2002	(b) 2001	(c) 2000	(d) 1999	(e) Total
15 Gifts, grants, and contributions received (Do not include unusual grants See line 28)	1,379,506.	1,103,538.	840,665.	2,118,051.	5,441,760.
16 Membership fees received					
17 Gross receipts from admissions, merchandise sold or services performed, or furnishing of facilities in any activity that is related to the organization's charitable, etc , purpose	288,535.	239,045.	238,573.	250,161.	1,016,314.
18 Gross income from interest, dividends, amounts received from payments on securities loans (section 512(a)(5)), rents, royalties, and unrelated business taxable income (less section 511 taxes) from businesses acquired by the organization after June 30, 1975	273,985.	225,695.	204,943.	747,739.	1,452,362.
19 Net income from unrelated business activities not included in line 18					
20 Tax revenues levied for the organization's benefit and either paid to it or expended on its behalf					
21 The value of services or facilities furnished to the organization by a governmental unit without charge Do not include the value of services or facilities generally furnished to the public without charge					
22 Other income. Attach a schedule Do not include gain or (loss) from sale of capital assets	19,341.		SEE STATEMENT 18		19,341.
23 Total of lines 15 through 22	1,961,367.	1,568,278.	1,284,181.	3,115,951.	7,929,777.
24 Line 23 minus line 17	1,672,832.	1,329,233.	1,045,608.	2,865,790.	6,913,463.
25 Enter 1% of line 23	19,614.	15,683.	12,842.	31,160.	
26 Organizations described on lines 10 or 11: a Enter 2% of amount in column (e), line 24			► 26a	138,269.	
b Prepare a list for your records to show the name of and amount contributed by each person (other than a governmental unit or publicly supported organization) whose total gifts for 1999 through 2002 exceeded the amount shown in line 26a. Do not file this list with your return. Enter the total of all these excess amounts			► 26b	113,186.	
c Total support for section 509(a)(1) test: Enter line 24, column (e)			► 26c	6,913,463.	
d Add Amounts from column (e) for lines 18 1,452,362. 19	1,452,362.	19	► 26d	1,584,889.	
22 19,341. 26b 113,186.	19,341.	26b 113,186.	► 26e	5,328,574.	
e Public support (line 26c minus line 26d total)			► 26f	77.0753%	
f Public support percentage (line 26e (numerator) divided by line 26c (denominator))					
27 Organizations described on line 12: a For amounts included in lines 15, 16, and 17 that were received from a "disqualified person," prepare a list for your records to show the name of, and total amounts received in each year from, each "disqualified person" Do not file this list with your return. Enter the sum of such amounts for each year N/A					
(2002) (2001) (2000) (1999)					
b For any amount included in line 17 that was received from each person (other than "disqualified persons"), prepare a list for your records to show the name of, and amount received for each year, that was more than the larger of (1) the amount on line 25 for the year or (2) \$5,000. (Include in the list organizations described in lines 5 through 11, as well as individuals) Do not file this list with your return. After computing the difference between the amount received and the larger amount described in (1) or (2), enter the sum of these differences (the excess amounts) for each year N/A					
(2002) (2001) (2000) (1999)					
c Add Amounts from column (e) for lines 15 _____ 16 _____	15 _____	16 _____	► 27c	N/A	
17 _____ 20 _____ 21 _____	17 _____	20 _____	► 27d	N/A	
d Add Line 27a total _____ and line 27b total _____	and line 27b total _____		► 27e	N/A	
e Public support (line 27c total minus line 27d total)					
f Total support for section 509(a)(2) test: Enter amount on line 23, column (e)	► 27f	N/A			
g Public support percentage (line 27e (numerator) divided by line 27f (denominator))			► 27g	N/A %	
h Investment income percentage (line 18, column (e) (numerator) divided by line 27f (denominator))			► 27h	N/A %	
28 Unusual Grants: For an organization described in line 10, 11, or 12 that received any unusual grants during 1999 through 2002, prepare a list for your records to show, for each year, the name of the contributor, the date and amount of the grant, and a brief description of the nature of the grant. Do not file this list with your return. Do not include these grants in line 15					

Part V Private School Questionnaire (See page 7 of the instructions)**N/A****(To be completed ONLY by schools that checked the box on line 6 in Part IV)**

29 Does the organization have a racially nondiscriminatory policy toward students by statement in its charter, bylaws, other governing instrument, or in a resolution of its governing body?

Yes**No****29**

30 Does the organization include a statement of its racially nondiscriminatory policy toward students in all its brochures, catalogues, and other written communications with the public dealing with student admissions, programs, and scholarships?

30

31 Has the organization publicized its racially nondiscriminatory policy through newspaper or broadcast media during the period of solicitation for students, or during the registration period if it has no solicitation program, in a way that makes the policy known to all parts of the general community it serves?

31

If "Yes," please describe; if "No," please explain (If you need more space, attach a separate statement.)

32 Does the organization maintain the following

32a**32b****32c****32d**

- a Records indicating the racial composition of the student body, faculty, and administrative staff?
- b Records documenting that scholarships and other financial assistance are awarded on a racially nondiscriminatory basis?
- c Copies of all catalogues, brochures, announcements, and other written communications to the public dealing with student admissions, programs, and scholarships?
- d Copies of all material used by the organization or on its behalf to solicit contributions?

If you answered "No" to any of the above, please explain (If you need more space, attach a separate statement.)

33 Does the organization discriminate by race in any way with respect to:

33a**33b****33c****33d****33e****33f****33g****33h**

- a Students' rights or privileges?
- b Admissions policies?
- c Employment of faculty or administrative staff?
- d Scholarships or other financial assistance?
- e Educational policies?
- f Use of facilities?
- g Athletic programs?
- h Other extracurricular activities?

If you answered "Yes" to any of the above, please explain (If you need more space, attach a separate statement.)

34 a Does the organization receive any financial aid or assistance from a governmental agency?

34a

b Has the organization's right to such aid ever been revoked or suspended?

34b

If you answered "Yes" to either 34a or b, please explain using an attached statement

35 Does the organization certify that it has complied with the applicable requirements of sections 401 through 405 of Rev Proc 75-50, 1975-2 C B. 587, covering racial nondiscrimination? If "No," attach an explanation

35

Part VI-A **Lobbying Expenditures by Electing Public Charities** (See page 9 of the instructions.)

Eligible Exports by Existing Public Owners
(To be completed ONLY by an eligible organization that filed Form 5768)

Check ▶ a if the organization belongs to an affiliated group

Check ▶ b if you checked "a" and "limited control" provisions apply

Caution: If there is an amount on either line 43 or line 44, you must file Form 4720.

4-Year Averaging Period Under Section 501(h)

(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 45 through 50 on page 11 of the instructions.)

	Lobbying Expenditures During 4-Year Averaging Period					N/A
Calendar year (or fiscal year beginning in) ►	(a) 2003	(b) 2002	(c) 2001	(d) 2000	(e) Total	
45 Lobbying nontaxable amount ..						0.
46 Lobbying ceiling amount (150% of line 45(e))						0.
47 Total lobbying expenditures						0.
48 Grassroots nontaxable amount						0.
49 Grassroots ceiling amount (150% of line 48(e))						0.
50 Grassroots lobbying expenditures						0.

Part VI-B Lobbying Activity by Nonelecting Public Charities

(For reporting only by organizations that did not complete Part VI-A) (See page 12 of the instructions.)

During the year, did the organization attempt to influence national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of:

- a** Volunteers
 - b** Paid staff or management (Include compensation in expenses reported on lines c through h.)
 - c** Media advertisements
 - d** Mailings to members, legislators, or the public
 - e** Publications, or published or broadcast statements
 - f** Grants to other organizations for lobbying purposes
 - g** Direct contact with legislators, their staffs, government officials, or a legislative body
 - h** Rallies, demonstrations, seminars, conventions, speeches, lectures, or any other means
 - i** Total lobbying expenditures (Add lines c through h.)

Yes	No	Amount
X		
X		
X		
X		
X		
X		
X		
X		
		0.

SEE STATEMENT 19

Part VII **Information Regarding Transfers To and Transactions and Relationships With Noncharitable Exempt Organizations** (See page 12 of the instructions.)

- 51 Did the reporting organization directly or indirectly engage in any of the following with any other organization described in section 501(c) of the Code (other than section 501(c)(3) organizations) or in section 527, relating to political organizations?

- a Transfers from the reporting organization to a noncharitable exempt organization of

- #### (ii) Cash

- ### (II) Other assets

b Other transactions

- (I) Sales or exchanges of assets with a noncharitable exempt organization
 - (II) Purchases of assets from a noncharitable exempt organization
 - (III) Rental of facilities, equipment, or other assets
 - (IV) Reimbursement arrangements
 - (V) Loans or loan guarantees
 - (VI) Performance of services or membership or fundraising solicitations

c Sharing of facilities, equipment, mailing lists, other assets, or paid employees

- d If the answer to any of the above is "Yes," complete the following schedule. Column (b) should always show the fair market value of the goods, other assets, or services given by the reporting organization. If the organization received less than fair market value in any transaction or sharing arrangement, show in column (d) the value of the goods, other assets, or services received.

	Yes	No
51a(i)		X
a(ii)		X
b(i)		X
b(ii)		X
b(iii)		X
b(iv)		X
b(v)		X
b(vi)		X
c		X

N/A

- 52 a** Is the organization directly or indirectly affiliated with, or related to, one or more tax-exempt organizations described in section 501(c) of the Code (other than section 501(c)(3)) or in section 527?

Yes No

- b** If "Yes," complete the following schedule.

N/A

FORM 990	GAIN (LOSS) FROM PUBLICLY TRADED SECURITIES	STATEMENT	1
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DESCRIPTION	GROSS SALES PRICE	COST OR OTHER BASIS	EXPENSE OF SALE	NET GAIN OR (LOSS)
SCHEDULE ATTACHED VMI ALUMNI AGENCIES POOL	10,209,978.	9,317,341.	0.	892,637.
	193,191.	0.	0.	193,191.
TO FORM 990, PART I, LINE 8	<u>10,403,169.</u>	<u>9,317,341.</u>	<u>0.</u>	<u>1,085,828.</u>

FORM 990	SPECIAL EVENTS AND ACTIVITIES	STATEMENT	2
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DESCRIPTION OF EVENT	GROSS RECEIPTS	CONTRIBUT. INCLUDED	GROSS REVENUE	DIRECT EXPENSES	NET INCOME
MARSHALL AWARD & DINNER	1,022,009.	1,022,009.			0.
TO FM 990, PART I, LINE 9	<u>1,022,009.</u>	<u>1,022,009.</u>			<u>0.</u>

FORM 990

INCOME AND COST OF GOODS SOLD
INCLUDED ON PART I, LINE 10

STATEMENT 3

INCOME

1. GROSS RECEIPTS	27,874
2. RETURNS AND ALLOWANCES	
3. LINE 1 LESS LINE 2	27,874
4. COST OF GOODS SOLD (LINE 13)	21,972
5. GROSS PROFIT (LINE 3 LESS LINE 4)	5,902

COST OF GOODS SOLD

6. INVENTORY AT BEGINNING OF YEAR	67,029
7. MERCHANDISE PURCHASED	14,966
8. COST OF LABOR	
9. MATERIALS AND SUPPLIES	
10. OTHER COSTS	437
11. ADD LINES 6 THROUGH 10	82,432
12. INVENTORY AT END OF YEAR	60,460
13. COST OF GOODS SOLD (LINE 11 LESS LINE 12)	21,972

FORM 990	COST OF GOODS SOLD - OTHER COSTS	STATEMENT	4	
DESCRIPTION		AMOUNT		
WITHDRAWN FOR USE BY MARSHALL FOUNDATION		<5,163.>		
INCREASE VALUATION ALLOWANCE		5,600.		
TOTAL INCLUDED ON FORM 990, PART I, LINE 10B		437.		
FORM 990	OTHER CHANGES IN NET ASSETS OR FUND BALANCES	STATEMENT	5	
DESCRIPTION		AMOUNT		
UNREALIZED APPRECIATION OF INVESTMENT SECURITIES		131,430.		
TOTAL TO FORM 990, PART I, LINE 20		131,430.		
FORM 990	OTHER EXPENSES	STATEMENT	6	
DESCRIPTION	(A) TOTAL	(B) PROGRAM SERVICES	(C) MANAGEMENT AND GENERAL	(D) FUNDRAISING
INVESTMENT ACCOUNT EXPENSES	9,270.		9,270.	
PROFESSIONAL FEES	186,327.	186,327.		
PORTFOLIO MANAGEMENT FEES	43,145.	25,447.	7,166.	10,532.
PROGRAM DEVELOPMENT COSTS	22,713.	22,713.		
HONORARIUMS	7,600.	7,600.		
BOOKS, PERIODICALS & SUBSCRIPTIONS	9,875.	6,176.	33.	3,666.
ADVERTISING	8,160.	1,872.	6,288.	
PENALTIES	81.	48.	13.	20.
INSURANCE	11,420.	6,735.	1,897.	2,788.
COMPUTER EXPENSES	23,955.	14,425.	4,693.	4,837.
MISCELLANEOUS	8,354.	6,115.	1,266.	973.
SECURITY & FIRE				
ALARM	8,837.	7,953.	442.	442.
PHOTOGRAPHY	7,297.	7,152.	92.	53.
CONTINUING EDUCATION	540.	540.		
BUILDING MAINTENANCE	6,978.	6,280.	349.	349.
EXHIBIT EXPENSE	22,655.	22,655.		
DUES & MEMBERSHIPS	3,625.	2,788.	729.	108.

TRUSTEE EXPENSES	2,216.	1,307.	368.	541.
SUMMER WORKSHOP	2,285.	2,285.		
FLOWERS	6,197.	5,981.	186.	30.
TAXES	696.	410.	116.	170.
CREDIT CARD EXPENSE	1,955.	1,955.		
LANDSCAPING	4,600.	2,713.	764.	1,123.
REGISTRATION FEES	525.	310.	87.	128.
AWARDS	2,650.	2,609.	17.	24.
UNEMPLOYMENT TAX	1,503.	1,118.	156.	229.
DONOR RECOGNITION	18,983.	13,220.	1,210.	4,553.
STATIONERY	116.	69.	19.	28.
ELECTRIC MAP	243.	243.		
INTERNET PROGRAMS	565.	565.		
ENTERTAINMENT	11,720.	8,303.	2,165.	1,252.
ASSET ABANDONMENT				
LOSS	2,468.	2,222.	123.	123.
CASH SHORT	110.	110.		
GROUP LIFE INSURANCE	7,543.	3,800.	2,170.	1,573.
VEHICLE EXPENSES	5,026.		5,026.	
BOOKS USED	7,116.	6,104.	317.	695.
DIGITIZATION PROJECT	41,960.	41,960.		
 TOTAL TO FM 990, LN 43	 499,309.	 420,110.	 44,962.	 34,237.

FORM 990	STATEMENT OF ORGANIZATION'S PRIMARY EXEMPT PURPOSE	STATEMENT	7
	PART III		

EXPLANATION

PRESERVE LEGACY OF GEORGE C. MARSHALL & PROMOTE VALUES OF DISCIPLINED SELFLESS SERVICE, HARD WORK, INTEGRITY, DEVOTION TO DUTY, AND COMPASSION.

FORM 990	STATEMENT OF PROGRAM SERVICE ACCOMPLISHMENTS	STATEMENT	8
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DESCRIPTION OF PROGRAM SERVICE THREE

MUSEUM--OPERATION IN LEXINGTON, VIRGINIA THAT DEALS WITH WORLD WAR II, MILITARY HISTORY AND THE REBUILDING OF EUROPE UNDER THE MARSHALL PLAN. INCLUDES DISPLAY OF THE NOBEL PRIZE, FLAGS, MAPS, JEEP AND OTHER PERIOD ITEMS

	GRANTS	EXPENSES
TO FORM 990, PART III, LINE C		188,256.

FORM 990	SPECIFIC ASSISTANCE TO INDIVIDUALS	STATEMENT	9
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DESCRIPTION	AMOUNT
SCHEDULE ATTACHED-MARSHALL UNDERGRADUATE SCHOLARSHIPS	7,250.
TOTAL TO FORM 990, PART II, LINE 23	7,250.

FORM 990	OTHER PROGRAM SERVICES	STATEMENT	10
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DESCRIPTION	GRANTS AND ALLOCATIONS	EXPENSES
LIBRARY & ARCHIVES		191,904.
PUBLICATIONS		137,152.
TOTAL TO FORM 990, PART III, LINE E		329,056.

FORM 990	NON-GOVERNMENT SECURITIES	STATEMENT	11
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SECURITY DESCRIPTION	CORPORATE STOCKS	CORPORATE BONDS	OTHER PUBLICLY TRADED SECURITIES	OTHER SECURITIES	TOTAL NON-GOV'T SECURITIES
CASH EQUIVALENTS				39,214.	39,214.
CORPORATE OBLIGATIONS			107,255.		107,255.
CORPORATE STOCK	59,449.				59,449.
INTERNATIONAL BONDS				12,109.	12,109.

GEORGE C. MARSHALL RESEARCH FOUNDATION

54-6052427

VMI ALUMNI AGENCIES INVESTMENT POOL			6,922,350.	6,922,350.
TO 990, LN 54 COL B	<u>59,449.</u>	<u>107,255.</u>	<u>12,109.</u>	<u>6,961,564.</u>
				<u>7,140,377.</u>

FORM 990	GOVERNMENT SECURITIES	STATEMENT 12
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DESCRIPTION	U.S. GOVERNMENT	STATE AND LOCAL GOV'T	TOTAL GOV'T SECURITIES
GOVERNMENT OBLIGATIONS	<u>91,013.</u>		<u>91,013.</u>
TOTAL TO FORM 990, LINE 54, COL B	<u>91,013.</u>		<u>91,013.</u>

FORM 990	OTHER LIABILITIES	STATEMENT 13
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DESCRIPTION	AMOUNT
ANNUITIES PAYABLE	<u>14,323.</u>
AGENCY FUNDS PAYABLE	<u>29,264.</u>
TOTAL TO FORM 990, PART IV, LINE 65, COLUMN B	<u>43,587.</u>

FORM 990	OTHER REVENUE NOT INCLUDED ON FORM 990	STATEMENT 14
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DESCRIPTION	AMOUNT
COSTS OF SALES REPORTED AT LINE 10B	<u>21,972.</u>
TOTAL TO FORM 990, PART IV-A	<u>21,972.</u>

FORM 990	OTHER EXPENSES NOT INCLUDED ON FORM 990	STATEMENT 15
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DESCRIPTION	AMOUNT
COSTS OF SALES REPORTED AT LINE 10B	<u>21,972.</u>
TOTAL TO FORM 990, PART IV-B	<u>21,972.</u>

FORM 990

PART V - LIST OF OFFICERS, DIRECTORS,
TRUSTEES AND KEY EMPLOYEES

STATEMENT 16

NAME AND ADDRESS	TITLE AND AVRG HRS/WK	COMPEN- SATION	EMPLOYEE BEN PLAN EXPENSE CONTRIB ACCOUNT		
			BEN	PLAN	EXPENSE
JOHN B ADAMS JR 4517 WINCHESTER ROAD THE PLAINS, VIRGINIA 20198	TRUSTEE 0	0.	0.	0.	0.
JULIUS W. BECTON JR 7737 JEWELWEED COURT SPRINGFIELD, VIRGINIA 22152	TRUSTEE 0	0.	0.	0.	0.
ANN L BROWNSON 4748 NEPTUNE DRIVE ALEXANDRIA, VIRGINIA 22309	TRUSTEE 0.	0.	0.	0.	0.
J STEWART BRYAN III 4608 SULGRAVE ROAD RICHMOND, VIRGINIA 23221	TRUSTEE 0.	0.	0.	0.	0.
THOMAS P CARNEY 9806 KIRKTREE COURT FAIRFAX, VIRGINIA 22032	TRUSTEE 0.	0.	0.	0.	0.
CHARLES W DYKE 1330 CONNECTICUT AVENUE NW SUITE 210 WASHINGTON, DC 20036	TRUSTEE 0.	0.	0.	0.	0.
ROBERT J FITCH 1215 JEFFERSON DAVIS HIGHWAY, SUITE 1500 ARLINGTON, VIRGINIA 22202	TRUSTEE 0.	0.	0.	0.	0.
ANDREW J GOODPASTER 6200 OREGON AVENUE NW WASHINGTON, DC 20015	TRUSTEE 0.	0.	0.	0.	0.
PAUL F GORMAN 9175 BATESVILLE ROAD AFTON, VIRGINIA 22920	TRUSTEE 0.	0.	0.	0.	0.
THOMAS H HENRIKSEN 177 LUNDY LANE PALO ALTO, CALIFORNIA 94306	TRUSTEE 0.	0.	0.	0.	0.

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PAUL R IGNATIUS 2700 CALVERT STREET, APT. 416 WASHINGTON DC 20008	TRUSTEE	0.	0.	0.	0.
THOMAS H JOHNSON 1021 EAST CARY STREET RICHMOND, VIRGINIA 23218	TRUSTEE	0.	0.	0.	0.
JOHN W KNAPP 212 BARCLAY LANE LEXINGTON, VIRGINIA 24450	TRUSTEE	0.	0.	0.	0.
ROBERT H LAMB 6 BERKSHIRE ROAD RICHMOND, VIRGINIA 23221	TRUSTEE	0.	0.	0.	0.
WILLIAM J LEMON 160 27TH STREET SE ROANOKE, VIRGINIA 24014	TRUSTEE	0.	0.	0.	0.
JACK N MERRITT 2785 SOUTH FORT SCOTT DRIVE ARLINGTON, VIRGINIA 22202	TRUSTEE	0.	0.	0.	0.
EDWARD C MEYER APARTMENT 1116, 1101 SOUTH ARLINGTON RIDGE ROAD ARLINGTON, VIRGINIA 22202	TRUSTEE	0.	0.	0.	0.
L F PAYNE JR 271 STONEY CREEK EAST NELLYSFORD, VIRGINIA 22958	TRUSTEE	0.	0.	0.	0.
THOMAS R PICKERING 1200 WILSON BOULEVARD ARLINGTON, VIRGINIA 22209	TRUSTEE	0.	0.	0.	0.
LOIS QUAM 1647 PORTLAND AVENUE ST PAUL MINNESOTA 55104	TRUSTEE	0.	0.	0.	0.
JACK RUDIN 241 CENTRAL PARK WEST NEW YORK, NEW YORK 10024	TRUSTEE	0.	0.	0.	0.
JOSEPH M SPIVEY III 19 HOWE LANE LEXINGTON, VIRGINIA 24450	TRUSTEE	0.	0.	0.	0.
OLIN L WETHINGTON 645 POTOMAC RIVER ROAD MCLEAN, VIRGINIA 22102	TRUSTEE	0.	0.	0.	0.

CLIFFORD MILLER YOUNCE 34 EVERGREEN ROAD GREENWICH, CONNECTICUT 06830	TRUSTEE	0.	0.	0.	0.
HARRY H WARNER 126 WEST MIDLAND TRAIL LEXINGTON, VIRGINIA 24450	PRESIDENT 40	200,750.	0.	7,172.	
TOTALS INCLUDED ON FORM 990, PART V		200,750.	0.	7,172.	

SCHEDULE A	EXPLANATION OF QUALIFICATIONS TO RECEIVE PAYMENTS	STATEMENT	17
PART III, LINE 3			

SELECTION OF ELIGIBLE RECIPIENTS OF UNDERGRADUATE SCHOLARSHIPS IS MADE BY THE FACULTY OF AREA COLLEGES. BARUCH FELLOWSHIPS ARE AWARDED BASED ON APPLICATIONS THAT ARE REVIEWED BY A THREE MEMBER COMMITTEE OF ACADEMIC SCHOLARS & WRITERS.

SCHEDULE A	OTHER INCOME	STATEMENT	18	
DESCRIPTION	2002 AMOUNT	2001 AMOUNT	2000 AMOUNT	1999 AMOUNT
MISCELLANEOUS	3,306.	0.	0.	0.
DISPOSAL OF ASSETS	16,035.	0.	0.	0.
TOTAL TO SCHEDULE A, LINE 22	19,341.	0.	0.	0.

SCHEDULE A

STATEMENT OF LOBBYING ACTIVITIES - PART VI-B

STATEMENT 19

LOBBYING ACTIVITIES ARE LIMITED TO SOLICITATION OF FUNDING FROM THE FEDERAL & VIRGINIA GOVERNMENTS. ACTIVITIES ARE CONDUCTED BY VOLUNTEERS & BY SENIOR MANAGEMENT. MARGINAL COSTS INCURRED ARE NOT MATERIAL AND HAVE NOT BEEN SEPARATED FROM OTHER ADMINISTRATIVE AND FUND RAISING ACTIVITIES.

GEORGE C. MARSHALL RESEARCH FOUNDATION
 GAIN/LOSS ON SECURITIES SOLD
 FOR THE YEAR ENDED DECEMBER 31, 2003

Security	Quantity Sold	Proceeds	Cost	Gain/(Loss)
US TREASURY NOTES	155,000	156,526.45	156,235.35	291.10
CHEVRONTEXACO CORP	655	43,153.37	61,934.59	(18,781.22)
CONOCOPHILLIPS	3,000	141,442.14	184,293.40	(42,851.26)
AMBAC FINANCIAL GROUP INC.	500	26,301.80	30,689.60	(4,387.80)
DOLLAR TREE STORES INC	200	4,461.86	3,655.56	806.30
DOLLAR TREE STORES INC	800	17,769.45	14,622.22	3,147.23
US TREASURY NOTES	645,000	658,674.00	644,907.10	13,766.90
US TREASURY NOTES	60,000	60,948.60	59,923.20	1,025.40
UNITED STATES TREAS NTS	45,000	46,309.05	43,441.20	2,867.85
US TREASURY NOTES	95,000	95,927.20	95,757.15	170.05
WELLS FARGO & CO NEW	1,000	45,259.13	49,139.10	(3,879.97)
CONCORD EFS INC COM	1,000	9,657.50	18,814.25	(9,156.75)
UNITED STATES TREAS NTS	190,000	194,902.00	187,387.50	7,514.50
INTER-AMERICAN DEVEL BK	50,000	52,000.00	50,187.50	1,812.50
UNITED STATES TREAS NTS	120,000	123,290.40	120,075.60	3,214.80
UNITED STATES TREAS NTS	300,000	316,033.00	300,189.00	15,844.00
US TREAS NTS	45,000	49,035.60	44,831.25	4,204.35
UNITED STATES TREAS NTS	100,000	102,328.00	98,315.40	4,012.60
US TREASURY NOTES	150,000	162,823.50	148,746.15	14,077.35
CANADA GOVT	150,000	113,727.84	99,588.15	14,139.69
DUTCH GOVT	150,000	173,522.98	144,500.74	29,022.24
SPAIN GOVT	100,000	116,942.45	96,774.60	20,167.85
FRANCE GOVT	70,000	82,355.77	67,083.87	15,271.90
FEDERAL HOME LN MTG CORP	75,000	67,500.00	74,625.00	(7,125.00)
UNITED STATES TREAS NTS	130,000	125,453.90	130,081.90	(4,628.00)
FEDERAL HOME LN MTG CORP	60,000	58,914.00	60,162.60	(1,248.60)
GENERAL ELEC CAP CORP	100,000	88,600.00	99,250.00	(10,650.00)
UNITED STATES TREAS NTS	15,000	15,794.40	14,673.05	1,121.35
MERCK & CO INC	50,000	47,750.00	51,545.50	(3,795.50)
INTER-AMERICAN DEVEL BK	50,000	48,875.00	50,187.50	(1,312.50)
FEDERAL NATL MTGE ASSN	15,000	15,751.50	14,742.60	1,008.90
CITIGROUP INC	250,000	268,257.50	249,952.50	18,305.00
FEDERAL NATL MTGE ASSN	385,000	409,976.00	378,393.40	31,582.60
UNITED STATES TREAS NTS	145,000	146,824.85	142,507.45	4,317.40
FRANCE GOVT	130,000	149,435.68	124,584.33	24,851.35
PAN AMERICAN SILVER CORP	8,000	85,595.96	68,319.04	17,276.92
UNITED STATES TREAS NTS	540,000	537,759.00	539,897.40	(2,138.40)
UNITED STATES TREAS NTS	185,000	198,614.15	180,967.55	17,646.60
NIPPON TELE & TEL CORP	8,200	186,373.15	167,708.56	18,664.59
LANDWIRTSCHAFTLICHE	150,000	173,439.19	148,429.05	25,010.14
PLUM CREEK TIMBER CO INC	6,600	171,048.79	178,409.28	(7,360.49)
EUROPEAN INVT BANK	150,000	173,608.09	144,626.33	28,981.76
US TREASURY NOTES	400,000	453,512.00	401,125.00	52,387.00
NEWMONT MINING CORP	9,000	359,083.17	228,253.38	130,829.79
MICROSOFT CORP	7,000	200,470.60	172,150.06	28,320.54
LOWES COMPANIES INC COM	3,000	157,513.61	27,847.13	129,666.48
FEDERAL HOME LN BKS DEB	150,000	159,225.00	151,194.00	8,031.00
LINEAR TECHNOLOGY CORP COM	2,000	77,376.37	28,575.00	48,801.37
JOHNSON & JOHNSON COM	1,600	80,652.22	93,637.40	(12,985.18)
UNITED STATES TREAS NTS	300,000	315,045.00	296,061.00	18,984.00

GEORGE C. MARSHALL RESEARCH FOUNDATION
 GAIN/LOSS ON SECURITIES SOLD
 FOR THE YEAR ENDED DECEMBER 31, 2003

Security	Quantity Sold	Proceeds	Cost	Gain/(Loss)
INTEL CORPORATION	2,000	57,297.31	40,146.05	17,151.26
INCO LTD COM	5,200	142,149.37	130,578.00	11,571.37
IMPERIAL OIL LTD	7,000	257,042.66	212,617.13	44,425.53
GENENTECH INC	1,200	103,358.11	66,347.60	37,010.51
GALLAGHER ARTHUR J & CO	3,000	83,975.96	100,922.60	(16,946.64)
COMPANHIA VALE DO RIO DOCE	3,000	120,474.35	114,225.00	6,249.35
CITIGROUP INC	2,000	90,837.74	42,642.41	48,195.33
CANADA GOVT	150,000	112,816.17	98,862.52	13,953.65
BARRICK GOLD CORP COM	10,000	198,990.66	184,710.69	14,279.97
NESTLE S A SPONSORED ADR	1,700	96,283.48	102,238.00	(5,954.52)
SUNCOR ENERGY INC	10,000	185,963.28	178,661.16	7,302.12
NOMURA HLDGS INC	7,000	115,864.86	113,221.81	2,643.05
PFIZER INC COM	2,000	64,376.98	82,870.00	(18,493.02)
PLACER DOME INC COM	6,000	83,312.08	82,440.00	872.08
POGO PRODUCING CO	3,900	174,165.83	151,386.52	22,779.31
BAKER HUGHES INC	3,000	91,345.71	90,388.00	957.71
SAN JUAN BASIN ROYALTY	10,000	175,364.77	183,788.23	(8,423.46)
APACHE CORPORATION	2,100	138,702.49	123,558.92	15,143.57
AMGEN INC	400	27,782.69	16,587.12	11,195.57
ESPIRIT HOLDINGS	18,000	48,913.24	33,850.38	15,062.86
YUE YUEN INDUSTRIAL	18,000	52,042.95	36,507.70	15,535.25
BYD CO CNY	14,000	38,055.08	32,313.14	5,741.94
JIANGSU EXPRESSWAY CO LTD	15,000	57,325.89	52,457.43	4,868.46
TECHTRONIC INDUSTRIES	28,000	59,529.00	36,952.24	22,576.76
Subtotal-endowment		10,141,811.88	9,247,271.14	894,540.74
CONOCOPHILLIPS	100	4,714.73	6,282.87	(1,568.14)
UNITED STATES TREAS NOTES	5,000	5,107.60	5,042.40	65.20
FEDERAL HOME LN MTG	10,000	10,160.00	10,000.00	160.00
US TREASURY NOTES	5,000	5,340.60	5,006.60	334.00
UNITED PARCEL SVC	5,000	4,962.50	4,975.00	(12.50)
MEDTRONIC	21	930.92	990.57	(59.65)
DOMINION RESOURCES	0.90035	54.69	0.00	54.69
PHELPS DODGE CORP	700	25,859.98	26,208.00	(348.02)
AFFILIATED COMPUTER SVCS	180	7,582.71	8,002.00	(419.29)
UNITED HEALTH GROUP INC	50	2,481.43	2,536.50	(55.07)
EXXON MOBIL CORP	26	971.22	1,026.22	(55.00)
Subtotal-operating		68,166.38	70,070.16	(1,903.78)
Total all securities		10,209,978.26	9,317,341.30	892,636.96

Book Basis

GEORGE C. MARSHALL RESEARCH FOUNDATION
Depreciation Schedule by G/L Account Number
For the 12 Months Ended 12/31/03

05/26/04

10:24AM

Asset No	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/03	Current Depreciation	Accum Depr 12/31/03
0900-00-1600 BUILDINGS & GROUNDS									
00101	BLDG-FYE 6/30/65	06/30/65	ST LINE	50/00	N	616,804.00	462,602.32	12,336.08	474,938.40
00102	BLDG-FYE 6/30/69	06/30/69	ST LINE	50/00	N	19,340.00	12,960.20	386.80	13,347.00
00103	BLDG-FYE 6/30/75	06/30/75	ST LINE	50/00	N	920.00	501.60	18.40	520.00
00104	STEPS	12/31/87	ST LINE	50/00	N	5,400.00	1,674.00	108.00	1,782.00
00105	AUDITORIUM	06/30/89	ST LINE	50/00	N	156,892.00	42,362.36	3,137.84	45,500.20
00108	STONE-PORCHES	09/26/90	ST LINE	50/00	N	5,125.00	1,285.00	102.50	1,387.50
00106	OFFICE CONST	10/03/90	ST LINE	50/00	N	1,566.00	389.28	31.32	420.60
00107	CONST-SHELVES	12/13/90	ST LINE	50/00	N	1,446.00	361.68	28.92	390.60
00109	SEWER LINE	11/15/91	ST LINE	50/00	N	3,077.00	711.16	61.54	772.70
00110	LIGHT FIXTURES-FOSTER ROOM	05/26/92	ST LINE	15/00	N	2,700.00	1,890.00	180.00	2,070.00
00111	IMPROVEMENTS-FOSTER ROOM	06/04/92	ST LINE	50/00	N	11,603.00	2,436.24	232.06	2,668.30
00112	IMPROVEMENTS-FOSTER ROOM	07/16/92	ST LINE	50/00	N	623.00	127.84	12.46	140.30
00113	BEARINGS & FAN SHAFT	03/22/94	ST LINE	10/00	N	1,527.00	1,337.80	152.70	1,490.50
00114	HANDICAP RESTROOM	10/31/94	ST LINE	20/00	N	21,687.00	8,854.40	1,084.35	9,938.75
00115	HALL OF HONOR	12/31/94	ST LINE	20/00	N	7,200.00	2,880.00	360.00	3,240.00
00117	PIPE WORK-BOILER	09/13/95	ST LINE	10/00	N	847.00	621.80	84.70	706.50
00119	UPGRADE SECURITY SYSTEM	07/23/97	ST LINE	10/00	N	4,668.00	2,567.20	466.80	3,034.00
00118	AIR HANDLER-AUDITORIUM	11/15/97	ST LINE	10/00	N	24,095.00	13,253.00	2,409.50	15,662.50
00120	RENOVATIONS-NATL PORTRAIT	08/31/98	ST LINE	20/00	N	6,215.00	1,347.00	310.75	1,657.75
00121	AIR COMPRESSOR	02/14/01	ST LINE	10/00	N	2,379.38	446.14	237.94	684.08
Total for (BUILDINGS & GROUNDS)						894,114.38	558,609.02	21,742.66	580,351.68
0900-00-1601 FURNITURE & FIXTURES									
00201	EQUIP-FYE 6/30/73	06/30/73	ST LINE	15/00	N	126,044.00	126,044.00	0.00	126,044.00
00202	EQUIP-FYE 3/30/74	06/30/74	ST LINE	15/00	N	5,875.00	5,875.00	0.00	5,875.00
00203	EQUIP-FYE 6/30/75	06/30/75	ST LINE	15/00	N	3,083.00	3,083.00	0.00	3,083.00
00204	EQUIP-FYE 6/30/76	06/30/76	ST LINE	15/00	N	3,296.00	3,296.00	0.00	3,296.00
00205	EQUIP-FYE 6/30/77	06/09/77	ST LINE	15/00	N	1,904.00	1,904.00	0.00	1,904.00
00206	FILM	06/30/77	ST LINE	15/00	N	26,000.00	26,000.00	0.00	26,000.00
00207	EQUIP-FYE 6/30/78	06/30/78	ST LINE	15/00	N	18,982.00	18,982.00	0.00	18,982.00
00208	EQUIP-FYE 6/30/79	06/30/79	ST LINE	15/00	N	2,426.00	2,426.00	0.00	2,426.00
00209	EQUIP-FYE 6/30/80	06/30/80	ST LINE	15/00	N	3,518.00	3,518.00	0.00	3,518.00
00210	EQUIP-FYE 12/31/80	12/31/80	ST LINE	15/00	N	4,487.00	4,487.00	0.00	4,487.00
00211	EQUIP-FYE 12/31/81	12/31/81	ST LINE	15/00	N	6,459.00	6,459.00	0.00	6,459.00
00212	EQUIP-FYE 12/31/82	12/31/82	ST LINE	15/00	N	7,258.00	7,258.00	0.00	7,258.00
00213	EQUIP-FYE 12/31/83	12/31/83	ST LINE	15/00	N	31,282.00	31,282.00	0.00	31,282.00
00214	OFFICE EQUIPMENT	01/01/85	ST LINE	15/00	N	646.00	646.00	0.00	646.00
00215	EQUIPMENT	01/01/85	ST LINE	15/00	N	53,818.00	53,818.00	0.00	53,818.00
00243	MEDIA CTR SIGNS	01/01/86	ST LINE	15/00	N	125.00	125.00	0.00	125.00
00245	TAPE DECK	01/01/86	ST LINE	15/00	N	2,181.00	2,181.00	0.00	2,181.00
00246	CALCULATOR	01/01/86	ST LINE	15/00	N	83.00	83.00	0.00	83.00
00247	MUSEUM DISPLAYS	01/01/86	ST LINE	15/00	N	60.00	60.00	0.00	60.00
00248	USED FILE CABINET	01/01/86	ST LINE	15/00	N	272.00	272.00	0.00	272.00
00249	USED MAP CASE	01/01/86	ST LINE	15/00	N	26.00	26.00	0.00	26.00
00254	CONF ROOM TABLE	01/01/86	ST LINE	15/00	N	225.00	225.00	0.00	225.00

Book Basis

GEORGE C. MARSHALL RESEARCH FOUNDATION
Depreciation Schedule by G/L Account Number
For the 12 Months Ended 12/31/03

05/26/04

10:24AM

Asset No	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/03	Current Depreciation	Accum Depr 12/31/03
0900-00-1601 FURNITURE & FIXTURES									
00259	FOLDING CHAIRS	01/01/87	ST LINE	15/00	N	1,153.00	1,116.00	37.00	1,153.00
00260	HIGHWAY SIGN	01/01/87	ST LINE	15/00	N	489.00	477.10	11.90	489.00
00261	EMERGENCY LIGHTS	01/01/87	ST LINE	15/00	N	381.00	363.90	17.10	381.00
00262	DONOR BOARD	01/01/87	ST LINE	15/00	Y	1,302.00	1,260.80	41.20	1,302.00
00263	THERMO HYDROGRAPH	01/01/87	ST LINE	15/00	Y	688.00	666.50	21.50	688.00
00264	BENCHES (2)	01/01/87	ST LINE	15/00	N	391.00	377.20	13.80	391.00
00265	SIGN	01/01/87	ST LINE	15/00	N	75.00	72.50	2.50	75.00
00266	OFFICE CHAIR	01/01/87	ST LINE	15/00	N	164.00	159.30	4.70	164.00
00273	CLEAN AIR MACHINE	01/01/89	ST LINE	15/00	N	184.00	163.08	12.27	175.35
00274	COMPUTER FURNITURE	01/01/89	ST LINE	15/00	N	414.00	376.40	27.60	404.00
00275	AUDITORIUM CHAIRS	01/01/89	ST LINE	15/00	N	30,650.00	27,582.32	2,043.33	29,625.65
00277	TV & EQUIPMENT	01/01/89	ST LINE	15/00	N	4,509.00	4,061.40	300.60	4,362.00
00280	FLOORING	01/01/89	ST LINE	15/00	N	2,350.00	2,117.68	156.67	2,274.35
00281	AES ROANOKE	01/01/89	ST LINE	15/00	N	1,300.00	1,172.68	86.67	1,259.35
00282	COMPUTER FURNTURE	01/01/89	ST LINE	15/00	N	666.00	595.60	44.40	640.00
00287	CASSETTE RECORDER	01/01/90	ST LINE	15/00	N	1,050.00	875.00	70.00	945.00
00288	SOLINET EQUIPMENT	01/01/90	ST LINE	15/00	N	16,875.00	14,063.00	1,125.00	15,188.00
00289	5-DRAWER FILE CABINETS (2)	01/17/91	ST LINE	15/00	N	479.00	367.72	31.93	399.65
00295	CHAIR & LOVE SEAT	08/15/91	ST LINE	15/00	N	921.00	703.60	61.40	765.00
00297	OVERHEAD PROJECTOR	01/16/92	ST LINE	15/00	N	372.00	261.20	24.80	286.00
00299	13" EMERSON COLOR TV/VCR	06/08/92	ST LINE	15/00	Y	307.00	211.88	10.23	222.11
00300	CARPET-FOSTER ROOM	07/17/92	ST LINE	15/00	N	1,010.00	705.32	67.33	772.65
00301	CHAIRS (4)	08/12/92	ST LINE	15/00	N	919.00	642.08	61.27	703.35
00302	BOILER	08/26/92	ST LINE	15/00	N	5,486.00	3,841.92	365.73	4,207.65
00307	FOSTER ROOM FURNITURE	01/01/94	ST LINE	10/00	N	1,077.00	970.80	106.20	1,077.00
00309	CASH REGISTER-MUSEUM SHOI	01/01/94	ST LINE	10/00	N	738.00	665.20	72.80	738.00
00308	DOWNSTAIRS TV	09/28/94	ST LINE	10/00	N	439.00	362.60	43.90	406.50
00306	TYPESETTING SYSTEM	10/25/94	ST LINE	10/00	N	22,873.00	18,678.20	2,287.30	20,965.50
00305	LASER DISK MOVIE	12/16/94	ST LINE	10/00	N	3,425.00	2,742.00	342.50	3,084.50
00310	WALNUT & FLEXI GLASS DISPLAY	04/26/95	ST LINE	10/00	N	2,759.00	2,115.60	275.90	2,391.50
00312	WORKSTATION MEMORY UPGR	06/06/95	ST LINE	10/00	N	1,850.00	1,403.00	185.00	1,588.00
00314	TRANSCRIBERS	09/27/95	ST LINE	10/00	N	515.00	375.00	51.50	426.50
00315	DISPLAY CASES (8)	11/17/95	ST LINE	10/00	N	757.00	536.80	75.70	612.50
00316	HP600 PRINTER W/COLOR CART	12/31/95	ST LINE	10/00	N	323.00	225.20	32.30	257.50
00317	RENOVATED DONOR BOARD	01/15/96	ST LINE	10/00	Y	2,445.00	1,713.00	224.13	1,937.13
00318	UNIVERSAL WORK CENTERS-2 (02/27/96	ST LINE	05/00	N	556.00	556.00	0.00	556.00
00324	USED 60" ROUND CONF TABLE (04/08/96	ST LINE	05/00	N	198.00	198.00	0.00	198.00
00325	INSTALL COMPUTER CABLE & TI	04/30/96	ST LINE	05/00	N	2,434.00	2,434.00	0.00	2,434.00
00326	MISC COMPUTER HARDWARE &	06/28/96	ST LINE	05/00	N	50,736.00	50,736.00	0.00	50,736.00
00320	DEHUMIDIFIERS (2)	07/01/96	ST LINE	05/00	N	428.00	428.00	0.00	428.00
00321	BENCHES, SHELVES WHEELCH/	07/01/96	ST LINE	05/00	N	2,059.00	2,059.00	0.00	2,059.00
00319	TV, VCR, CHAIR, AUDIO PLAYER	08/04/96	ST LINE	05/00	N	1,298.00	1,298.00	0.00	1,298.00
00328	CREDIT CARD MACHINE-SHOP	09/30/96	ST LINE	05/00	N	575.00	575.00	0.00	575.00
00327	COMPUTER DESK-MARY	12/06/96	ST LINE	05/00	N	326.00	326.00	0.00	326.00

Book Basis

GEORGE C. MARSHALL RESEARCH FOUNDATION
Depreciation Schedule by G/L Account Number
For the 12 Months Ended 12/31/03

05/26/04

10:24AM

Asset No	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/03	Current Depreciation	Accum Depr 12/31/03
0900-00-1601 FURNITURE & FIXTURES									
00329	Debbie's HP LASERJET 5M PRINT	02/27/97	ST LINE	05/00	N	2,240.00	2,240.00	0.00	2,240.00
00333	STAMP FRAMES-TRAVELING EX	05/20/97	ST LINE	05/00	N	2,056.00	2,056.00	0.00	2,056.00
00332	48"X96" MUSEUM PANELS-STATI	08/14/97	ST LINE	05/00	N	2,435.00	2,435.00	0.00	2,435.00
00334	RESTORE/REDESIGN ELECTROI	09/05/97	ST LINE	10/00	N	4,298.00	2,364.20	429.80	2,794.00
00331	PORTABLE DISPLAY UNIT	09/17/97	ST LINE	05/00	N	1,722.00	1,722.00	0.00	1,722.00
00330	GCM CUT-OUT FIGURE	10/31/97	ST LINE	05/00	N	1,575.00	1,575.00	0.00	1,575.00
00340	FR SOFTWARE-DEVELOPMENT	04/15/99	ST LINE	03/00	N	8,750.00	8,750.00	0.00	8,750.00
00336	COMPUTERIZED DOWNSTAIRS I	04/30/99	ST LINE	05/00	N	12,240.50	8,568.35	2,448.10	11,016.45
00339	2 APPLE POWER MAC G3/400'S	(06/11/99	ST LINE	05/00	N	11,352.64	7,946.85	2,270.53	10,217.38
00339a	TEKTRONIX PHASER 780 PLUS	06/11/99	ST LINE	05/00	Y	9,377.45	6,564.22	937.75	7,501.97
00338	EXHIBIT CASES W/PLEXI GLASS	06/30/99	ST LINE	05/00	N	3,225.00	2,257.50	645.00	2,902.50
00335	AUDIO/VIDEO EQUIP-POGUE AU	08/16/99	ST LINE	05/00	N	16,791.00	11,753.70	3,358.20	15,111.90
00337	DONOR DISPLAY BOARD	12/22/99	ST LINE	05/00	N	2,800.00	1,960.00	560.00	2,520.00
00342	Shop-DELL DIMENSION XPS T501	01/04/00	ST LINE	05/00	N	1,575.90	787.95	315.18	1,103.13
00345	Joellen's-DELL DIMENSION XPS T	04/24/00	ST LINE	05/00	N	1,522.58	761.30	304.52	1,065.82
00347	CABLES, NETWORK CARDS, POI	05/01/00	ST LINE	05/00	N	8,043.00	4,021.50	1,608.60	5,630.10
00341	FLATBED SCANNER-Jeanne's	07/30/00	ST LINE	05/00	N	739.99	370.00	148.00	518.00
00343	Larry's-HP LASERJET 4050 w/JET	08/01/00	ST LINE	05/00	N	1,357.05	678.53	271.41	949.94
00346	TABLE & 2 CHAIRS-DEVELOPMEN	09/30/00	ST LINE	07/00	N	861.90	307.82	123.13	430.95
00344	Mary's COMPUTER, PRINTER & E	10/31/00	ST LINE	05/00	N	2,953.76	1,476.88	590.75	2,067.63
00351	MIKE'S FURNITURE-END TABLE,	09/15/01	ST LINE	07/00	N	2,672.85	572.76	381.84	954.60
00348	Craig's-DIMENSION 8200 COMPU	10/19/01	ST LINE	05/00	N	2,309.00	692.70	461.80	1,154.50
00350	PROJECTOR-InFOCUS LP 530 W.	11/05/01	ST LINE	05/00	N	5,284.00	1,585.20	1,056.80	2,642.00
00349	Mike's-DIMENSION 4300 COMPUT	11/07/01	ST LINE	05/00	N	2,100.99	630.30	420.20	1,050.50
00352	HP LASERJET 8150N & ENVELO	12/20/01	ST LINE	05/00	N	3,158.00	947.40	631.60	1,579.00
00354	2 DESKS & RETURN-MAINI & LOI	10/31/02	ST LINE	05/00	N	1,567.00	156.70	313.40	470.10
00353	CARPETING-PRESIDENT'S OFFIC	11/05/02	ST LINE	07/00	N	2,648.20	189.16	378.31	567.47
00355	FURNITURE	11/30/02	ST LINE	05/00	N	4,054.00	405.40	810.80	1,216.20
00356	CHAIR	11/30/02	ST LINE	05/00	N	288.00	28.80	57.60	86.40
00360	LATERAL FILE	11/30/02	ST LINE	05/00	N	509.23	50.92	101.85	152.77
00357	FURNITURE-LINDA	12/31/02	ST LINE	05/00	N	632.43	63.24	126.49	189.73
00358	FURNITURE-PRESIDENT	12/31/02	ST LINE	05/00	N	254.15	25.42	50.83	76.25
00359	FURNITURE	12/31/02	ST LINE	05/00	N	2,529.00	252.90	505.80	758.70
00364	2 EXHIBIT CASES & 2 TEXT PAN	02/27/03	ST LINE	05/00	N	18,447.50	0.00	1,844.75	1,844.75
00369	MIKE'S SOUND SYSTEM FROM A	02/28/03	ST LINE	05/00	N	1,395.00	0.00	139.50	139.50
00367	MIKE'S 2 BOOKCASES	03/31/03	ST LINE	05/00	N	1,098.00	0.00	109.80	109.80
00365	LARRY'S LAPTOP	06/26/03	ST LINE	05/00	N	2,983.49	0.00	298.35	298.35
00366	LARRY'S PROJECTOR	06/26/03	ST LINE	05/00	N	2,924.96	0.00	292.50	292.50
00370	MIKE'S DIMENSION 8250	07/01/03	ST LINE	05/00	N	3,438.46	0.00	343.85	343.85
00361	LARRY'S HP COLOR LASER JET	08/28/03	ST LINE	05/00	N	4,715.53	0.00	471.55	471.55
00362	DISPLAY CASE-NOBEL PRIZE	09/04/03	ST LINE	05/00	N	1,835.00	0.00	183.50	183.50
00363	2-H SHAPED EXHIBIT STUCTURE	09/04/03	ST LINE	05/00	N	1,000.00	0.00	100.00	100.00
00368	MIKE'S TOSHIBA PORTEGE M201	12/15/03	ST LINE	05/00	N	3,111.25	0.00	311.13	311.13
00371	SHOP BOOKCASES, GLASS SHE	12/31/03	ST LINE	10/00	N	14,139.80	0.00	0.00	0.00

Book Basis

GEORGE C. MARSHALL RESEARCH FOUNDATION
Depreciation Schedule by G/L Account Number
For the 12 Months Ended 12/31/03

05/26/04

10:24AM

Asset No	Asset Description	Date Acquired	Method	Life	Sold?	Cost	Accum Depr 01/01/03	Current Depreciation	Accum Depr 12/31/03
0900-00-1601 FURNITURE & FIXTURES									
	Total for (FURNITURE & FIXTURES)					645,008.61	522,879.28	31,739.38	554,618.66
	Client Subtotal Before Sales					1,539,122.99	1,081,488.30	53,482.04	1,134,970.34
	Less Assets Sold					14,119.45			11,651.21
	Total					1,525,003.54	1,081,488.30	53,482.04	1,123,319.13

Marshall Undergraduate Scholars

(All Scholars received \$250 except Lucas Fenske who received an additional \$500 for the Marshall Prize for a total of \$750)

Total \$7250 -

Jesse James Arnold
100 Collegiate Court
Apt. 29
Blacksburg, VA 24060

Amanda Bennett
Mary Baldwin College
Staunton, VA 24402

Robert Badenhop
2466 Double Church Road
Stephens City, VA 22655

Longwood, VA
Andrew Noel Griffith Borda
P.O. Box 4516
Lexington, VA

Cynthia M. Brougher
CSU 1127
PO Box 8793
Williamsburg, VA 23186-1127

Richard Bryant
327 Avery
University of North Carolina-Chapel Hill
Chapel Hill, NC 27514

Bradley K. Ervin
467 Lambeth 1
University of Virginia
Charlottesville, VA 22904

Lucas Allen Fenske
108 St. Ayers Way
Chapel Hill, NC 27517

Cadet Jason Robert Harr
Virginia Military Institute
Box 81425
Lexington, VA 22450

Matthew K. Israelson
325 Brodie Hall
Virginia Tech
Blacksburg, VA 24060

Marcia Allison Jennings
708 Virginia Ave.
Fredericksburg, VA 22401

Joseph M. Kittle
Bridgewater College
PO Box 851
Bridgewater, VA 22812

Anne Marie Mathias
PO Box 641
Sweet Briar College 24595

Stephanie A. McKaughan
1439 Stafford Road
Darlington, MD 21034

Cadet Robert Osypowicz
Virginia Military Institute
Box 933
Lexington, VA 24450

Erica Rose Passmore
Eastern Mennonite University
1200 Park Road
Harrisonburg, VA 22802

Allison Paskett
2155 Walnut Ave.
Buena Vista, VA 24416

Elizabeth Pöhm
Main 3069
1 University Hill Dr.
Buena Vista, VA 24416

Scott A. Rowe
PO Box 5828
Radford University
Radford, VA 24142

John F. Sheehan
1064 D Lois Lane
Harrisonburg, VA 22801

Miyan Toploi
602 Old Winston Road
High Point, NC 27265

Gregory M. Useem
319 Langhorne Lane
Lynchburg, VA 24501

John S. Warren, Jr.
1169 Ross Rd.
Lexington, VA 24450

Jacqueline E. Whitt
Hollins University
PO Box 10298
Roanoke, VA 24020

Neil Williams
P. O. Box 2710
Buries Creek, NC 27506

Ross L. Wilson
3610 Windsor Road
Austin, TX 78703

Nadine Zimmerli
P. O. Box 1057
Shepherdstown, WV 25443

GEORGE C. MARSHALL RESEARCH FOUNDATION

BYLAWS

(Adopted in principle, December 9, 1971; adopted formally, May 3, 1972; amended April 20, 1976, November 21, 1983, May 8, 1985, June 23, 1987, November 14, 1995, June 5, 1998; May 18, 1999; and May 9, 2003)

ARTICLE I

General

Section 1 – Name

The George C. Marshall Research Foundation (“Foundation”) is a private, nonprofit, 501(c)(3) corporation founded in 1953 and headquartered on the Post at Virginia Military Institute in Lexington, Virginia. The Foundation operates the museum and library in the building that it owns at that site. The Foundation does business principally under the name of George C. Marshall Foundation and is commonly referred to as the Marshall Foundation.

Section 2 – Mission

The mission of the George C. Marshall Foundation is to promote the values of selfless service, dedicated effort and strength of character exemplified by Marshall’s life and leadership in war and peace and to inspire new generations to follow his example as they face the challenges of the future.

ARTICLE II

Board of Trustees

Section 1 – Composition

The Board of Trustees (“Board”) shall be composed of no more than 24 and no fewer than 15 elected Trustees, in addition to 7 Ex-Officio Trustees.

Section 2 – Authority

The business and affairs of the Foundation shall be under the management and control of the Board. The entire voting power shall be vested in the Board, unless otherwise provided in the Bylaws. The Board, in its absolute discretion, may from time to time appoint, suspend, or remove agents or employees of the Foundation. The Board shall have the power to fill by election any vacancy that shall occur thereon from expiration, death, resignation, removal, or from other causes. The Board shall determine the compensation, if any, of its Officers, agents, or employees.

Section 3 – Elections

Election of a Trustee requires a majority vote of the elected Trustees and may occur at any Regular or Special Meeting of the Board, but typically should take place at the Annual Meeting.

Section 4 – Terms

A full Term for a Trustee shall be three years, renewable without limitation. However, in given instances as determined by the Board, it may be for a lesser number of years to effectuate staggered elections of Trustees, with approximately one- third elected each year.

Section 5 – Removal

For good cause, as determined solely by the Board, by a two-thirds vote of the full Board by secret ballot at a Meeting thereof, an individual may be removed from Trusteeship, or the Council of Advisors, or as a Officer. A proposal for removal must be made by no less than the number of Trustees that would constitute a quorum at a Board Meeting. An individual proposed for removal must be given advance written notice thereof, including the reason therefor, by certified mail return receipt requested. The amount of notice shall not be less than that prescribed for the Meeting itself. Such individual shall have the opportunity to contest the proposed removal in writing, or by a statement in person, and shall be entitled to written notice of the Board's decision, but shall not be entitled to be present when the discussion or vote thereon actually occurs:

Section 6 – Ex-Officio Trustees

There may be seven Ex-Officio Trustees, who shall be considered as adjunct members of the Board. They shall have the right to vote or make motions, but shall not be counted for the number needed for a quorum, nor be considered regarding limitations on composition. The permissible Ex-Officio Trustees are as follows: a current member of the Board of Visitors of the Virginia Military Institute selected by that Board; a current member of the Board of Trustees of Washington and Lee University selected by that Board; The Superintendent of Virginia Military Institute; the President of Washington and Lee University; the President of the George C. Marshall Foundation; an individual appointed by the Governor of Virginia; and an individual appointed by the Governor of Pennsylvania. The Terms of Ex-Officio Trustees, unless replaced earlier, shall continue in conjunction with their ongoing positions from which selected or during the governorship of their patron, whichever is applicable.

Section 7 – Trustees Emeriti

When their active period of service on the Board has ended, Trustees and Ex-Officio Trustees who are in good standing may become, at their discretion, Trustees Emeriti. Trustees Emeriti are entitled to attend and participate in all Meetings of the

Board, and may be invited to attend Committee or Subcommittee sessions, but in such capacity they shall not have the right to vote or make motions, nor be counted for the number needed on a particular vote or a quorum, nor be considered regarding limitations on composition. There shall be no limit by age or term of service for Trustees Emeriti. Trustees Emeriti may subsequently be reelected to the Board, thereby giving up their status as Trustees Emeriti. Except, however, if the Chairman Emeritus is elected to the Board, he retains his honorific title while exercising all the authority of, and being considered as, a Trustee. Trustees Emeriti will also be designated as members of the Council of Advisors.

ARTICLE III

Board Meetings

Section 1 – Regular Meetings

Except as provided elsewhere in the Bylaws, two Regular Meetings of the Board shall be held in each calendar year, one in the spring and one in autumn, at such place as may be fixed by the Board or, in the event the Board does not act, as may be prescribed by the Chairman. The spring Meeting shall be the Annual Meeting and, unless otherwise fixed or prescribed, shall be in Lexington, Virginia.

Section 2 – Special Meetings

Special Meetings of the Board may be called whenever deemed necessary by the Chairman, or by resolution of the Board. Such Meetings shall be held at a time and place designated by the Chairman, or by the Board, as the case may be. Whenever a Special Meeting is requested in writing by at least the number of Trustees that would constitute a quorum at a Board Meeting, it shall be the duty of the Secretary to send a notice for it, designating a day, time, and place for such, unless a majority of such Trustees so requesting are in accord on a different specific day, time, or place for such Special Meeting. Under extraordinary circumstances, for convenience of the members thereof, the Board by motion, or the Chairman by notice, may indicate that a certain Special Meeting shall be in lieu of a particular Regular Meeting, in which case any business that would have been allowed under the Bylaws at the latter may be conducted at the former.

Section 3 – Notice of Meetings

Except as otherwise required herein or by law, written notice of all Meetings of the Board shall be mailed to each member thereof, Trustees Emeriti, and the Council of Advisors at the last known post office address appearing on the books of the Foundation. Such notice shall state the day, time, and place of the Meeting, and if a Special Meeting the purpose thereof. Minor adjustments in the time thereof may be made subsequently in unusual circumstances upon reasonable notice. Notice for any Regular Meeting must be sent by first class mail no less than thirty days before such Meeting. Notice for any Special Meeting of the Board must be by first class mail no less than ten days before such Meeting if feasible, or otherwise both by sending overnight delivery no less than 72 hours

in advance thereof and by attempting to contact members thereof, Trustees Emeriti, and the Council of Advisors by telephone prior to such sending.

Section 4 – Procedures

One-half of the elected members of the full Board shall constitute a quorum at Meetings thereof. A majority of quorum is necessary to transact business. All Board Meetings shall facilitate the participation of members by teleconference. Members participating by teleconference shall count towards a quorum and retain all their rights and privileges. Proxies shall not be allowed for any purpose whatsoever. Minutes shall be kept of the proceedings of Regular and Special Meetings of the Boards. Employees of the Foundation, upon invitation or direction, shall attend Meetings of the Board and provide such assistance as is appropriate.

ARTICLE IV

Council of Advisors

Section 1 – Composition

The Council of Advisors (“Council”) is an informal body, without limitation as to number or Term, consisting of Trustees Emeriti, as well as others who may be appointed thereto by the Board. The members of the Council are entitled to attend and participate in all Meetings of the Board, and may be invited to attend Committee or Subcommittee sessions thereof, but in such capacity they shall not have the right to vote or make motions, nor be counted for the number needed on a particular vote or a quorum, nor be considered regarding limitations on composition.

Section 2 – Purpose

The Council will receive all pertinent information provided to the Board, and be invited to, and receive proper notice of, all Board Meetings and Foundation events. The Council, individually or collectively, will not bear any responsibility for the conduct of the affairs of the Foundation. It is the expectation that the Council, to the extent practicable, will stay informed about Foundation matters and offer it advice, counsel, financial support, promotional assistance, and guidance. Members of the Council subsequently may be elected to the Board, thereby giving up their positions on the Council.

ARTICLE V

Officers

Section 1 – General

The Officers of the Foundation shall be Chairman, one or more Vice-Chairmen, President, Secretary, and Treasurer. There may also be such other Officers, including one or more At-Large Officers, with such powers and duties as the Board may from time

to time determine, consistent with the Bylaws. In the absence or inability of any Officer to act, the duties thereof shall be performed by the successor thereto, or by an Acting Officer appointed by the Chairman, as applicable, unless the Board shall prescribe otherwise. The duties of the Officers shall be as herein below set forth, but additional responsibilities, consistent with Bylaws, may be assigned by the Board or, subject to the Board, by the Executive Committee.

Section 2 – Election and Terms

The Officers shall be elected by the Board at the Annual Meeting and shall hold office for one year. An election to fill a vacancy for the unexpired Term of any Officer may occur at any Regular or Special Meeting of the Board. Each Officer shall only be eligible for election for up to three consecutive one-year Terms, unless that restriction is waived by the Board. A Trustee may not hold any more than one office at any given time.

Section 3 – Duties

(a) Chairman

The Chairman shall be elected from the Board and preside at all Board Meetings and, subject to the Board, shall be the chief spokesman for the Foundation, and may exercise such powers as provided in the Bylaws. The Board may authorize the Chairman to exercise additional powers that are consistent with the Bylaws.

(b) Vice-Chairmen

The Vice-Chairmen may exercise such powers as authorized by the Board, consistent with the Bylaws. In case of the absence or inability to act of the Chairman, all of the powers and duties of the office of the Chairman shall devolve upon, and be performed by, one of the Vice-Chairmen, as determined by the Board.

c) President

The President shall be appointed by the Board as Ex-Officio Trustee thereof and shall be an ex-officio member of all Standing or Special Committees. The President shall serve at the pleasure of the Board or for such time as it may fix. The President, subject to the Board, shall have general supervision over the affairs of the Foundation, as well as sign or countersign all contracts and other instruments, not within the purview of the Secretary or Treasurer, requiring the official signature of the Foundation. The President shall make annual reports showing the condition of the affairs of the Foundation. The President shall serve as the chief executive officer of the Foundation and be responsible for the administration of its programs, finances, and personnel within the framework of the budget, policies, principles, and practices established by the Board.

d) Treasurer

The Treasurer, under the supervision of the Finance Committee, shall review the books and accounts of the Foundation as required by the Board of Trustees, sign or countersign such instruments as may be required, and perform all duties incident to the office or properly required by the Board.

e) Secretary

The Secretary shall give notice of all Meetings of the Board and shall be responsible for insuring that a record is kept of the proceedings thereof. The Secretary shall have charge of the minute book and Corporate Seal of the Foundation. The Secretary shall be an employee of the Foundation.

ARTICLE VI

Committees and Subcommittees

Section 1 – General

In addition to any Standing Committees, Subcommittees of Standing Committees, Special Committees, or Special Subcommittees that may be established by the Board under these Bylaws, there shall be the following Standing Committees: Executive, Finance, Development, Program, and Nominating & Rules. Each Committee, except the Executive Committee, shall consist of not fewer than 3 nor more than 7 members, unless a larger number is authorized by the Board. Each Subcommittee shall consist of not fewer than 3 nor more than 5 members, unless a larger number is authorized by the Board. Except as set forth with respect to the Executive Committee and hereinafter, members of such Special or Standing Committees, and any Subcommittees thereof, shall be appointed by the Chairman promptly following the Annual Meeting, after consultation with the Chairs thereof. A Standing Committee Chair is elected for a Term of one year and, unless waived by the Board, may only be elected for up to three consecutive Terms. Standing Committee Chairs shall be appointed by the Board at the Annual Meeting, if feasible, unless otherwise provided in these Bylaws. The Chairs of Special Committees shall be appointed by the Board when established. Except as otherwise prescribed in the Bylaws, the Chair of any Subcommittee shall be appointed from and by the Chair of the applicable parent Committee. If a Committee or Subcommittee Chair becomes vacant before the end of the Term to which elected or is not filled at the expiration thereof, the Chairman may appoint a temporary Chair, pending the election at the next Regular Meeting of a Chair to complete such Term, if applicable. Each Subcommittee shall meet upon call of its Chair and render appropriate reports to its parent Committee. Subcommittees and Committees may be assigned additional duties, consistent with the Bylaws, by the Board. Ex-Officio Trustees may serve on Committees and Subcommittees, in which capacity they have the right to vote or make motions, but shall not be counted with the number needed for a quorum, nor be considered regarding limitations on composition.

Section 2 – The Executive Committee

The Executive Committee shall be chaired by the Chairman of the Board and shall consist of the Chairman, Vice-Chairmen, President, Treasurer, the Chairs of the Standing Committees appointed by the Board, and any At-Large Officer elected by the Board, as well as such other Trustees as the Board may authorize. Subject to such limitations as the Board may provide consistent with these Bylaws, the Executive Committee shall have, and may exercise, the authority of the Board, to the extent permitted by law, except it may not approve an amendment of the Articles of Incorporation or the Bylaws, or plan of merger or consolidation. Minutes of all proceedings of the Committee shall be mailed to the Board and Council in a timely fashion prior to the next Regular Meeting, or read at such Meeting, unless the reading thereof is waived by the Board. The Committee shall also serve to provide advice to the President and the Board.

Section 3 - The Finance Committee

The Finance Committee shall examine carefully the financial condition of the Foundation at least quarterly. It shall consider and recommend for approval of the Board a budget for each fiscal year prepared with the assistance of the President and Treasurer, as well as ways and means of raising funds sufficient to meet such budget. Subject to the Board and consistent with the Bylaws, it shall prescribe the duties of any Officer handling money for the Foundation, arrange for any necessary and appropriate bonds for employees handling money, follow the investments of the Foundation, and make recommendations with respect thereto to the Executive Committee and the Board. It shall report at Board Meetings on the performance of the portfolio under its supervision. It shall also assist and consult with the President with respect to the administrative affairs of the Foundation.

Section 4 - The Development Committee

The Development Committee shall consult with the President and, consistent with the mission of the Foundation, shall formulate policies and programs to interpret properly the Foundation to the public, to the end that the Foundation obtains the understanding and respect of those who have an interest in its future. The Committee shall seek to obtain voluntary support for the Foundation sufficient to satisfy both budgetary and capital needs to serve program requirements, as well as to provide for an increased endowment.

Section 5 – The Program Committee

The Program Committee shall oversee the educational, research and public outreach programs of the Foundation, to the end that the purposes of the Foundation as stated in the Restated Articles of Incorporation {(2) A, B, C & D} are properly planned and executed

Section 6 – Nominating & Rules Committee

The Nominating & Rules Committee shall nominate candidates for the following: vacancies on the Board for Trustees; Officers; those members of the Council who are not

Trustees Emeriti; Chairs of the Standing Committees; and, if feasible, Chairs of any Special Committees. It shall have the responsibility for reviewing for possible revision the Articles of Incorporation and the Bylaws. It also shall periodically review the corporate governance of the Foundation for appropriateness and effectiveness.

Section 7 – Special Committees or Subcommittees

The Board may establish such other Special Committees or Subcommittees thereof as it may from time to time determine for such purposes, with such powers and duties, and to serve for such period of time, as the Board may prescribe, consistent with the Bylaws.

Section 8 – Procedures

Except as otherwise required by the Board, written notice of all Meetings of any Committee or Subcommittee shall be mailed to each member thereof at the last known post office address appearing on the books of the Foundation. Such notice shall state the day, time, and place of the Meeting, and if a Special Meeting the purpose thereof. Minor adjustments in the time thereof may be made subsequently in unusual circumstances upon reasonable notice. Notice for Regular Meetings of any Committee or Subcommittee shall be sent at the direction of the Chair thereof by first class mail not less than two weeks in advance of such Meeting. Notice for any Special Meeting of any Committee or Subcommittee must be by first class mail no less than seven days before such Meeting if feasible, or otherwise both by sending overnight delivery no less than 72 hours in advance thereof and by attempting to contact applicable members by telephone prior to such sending. Whenever a Special Meeting is requested in writing by at least the number of members that would constitute a quorum at such Meeting, it shall be the duty of the Secretary to send a notice for it, designating a day, time, and place for such, unless a majority of such members so requesting are in accord on a different day, time, or place. A majority of the members of the Committee or Subcommittee shall constitute a quorum at Meetings thereof, but no fewer than two of the members thereof must be present to transact business. All such Meetings shall facilitate the participation of members by teleconference. Unless the Bylaws provide otherwise, members participating by teleconference shall count towards quorum and retain all their rights and privileges. Proxies shall not be allowed for any purpose whatsoever.

ARTICLE VII

Corporate Seal

The Corporate Seal of the Foundation shall consist of two concentric circles between which shall be the words "George C. Marshall Research Foundation" and in the center of which shall be inscribed "Seal 1953 Virginia," indicating the year and State of incorporation, and such seal is hereby adopted as the Corporate Seal of the Foundation.

ARTICLE VIII

Fiscal Year

The fiscal year of the Foundation shall be January 1 though December 31 of each year, unless otherwise determined by the Board.

ARTICLE IX

Checks

Checks, drafts and other orders for the payment of money and notes shall be signed by such of the Officers and other persons as the Board may from time to time direct, consistent with these Bylaws.

ARTICLE X

Indemnification

Section 1 - General

The Foundation shall indemnify individuals made a party to a proceeding, including indemnity with respect to a proceeding by or in the right of the Foundation, because they are or were Trustees or employees of the Foundation, against liability incurred in the proceeding unless the liability arises from their knowing violation of the criminal law, gross negligence, or willful misconduct. Whether Trustees or employees have the right to indemnification hereunder shall be determined in the manner fixed by Article 9 of the Virginia Nonstock Corporation Act with respect to statutory indemnification thereunder; and such Article 9 and the provisions of Chapter 10 of Title 13.1 of the Code of Virginia 1950 as amended, Section 13.1-875 through Section 13.1-883 are incorporated herein by reference for such purpose.

The Foundation shall pay or reimburse the reasonable expenses incurred by the Trustees or employees who are parties to a proceeding in advance of final disposition of the proceeding if (1) the Trustees or employees furnish the Foundation a written statement of their good faith belief that they have met the standard of conduct described therein, (2) the Trustees or employees furnish the Foundation written undertakings, executed personally or on their behalf, to repay the advance if it is ultimately determined that they did not meet such standard of conduct, and (3) a determination is made that the facts then known to those making the determination would not preclude indemnification.

All terms defined in Article 9 of the Virginia Nonstock Corporation Act as enacted and in effect on the date hereof shall have the same meaning when used herein and such definitions are hereby incorporated by reference, except that, unless the context clearly indicates otherwise, "director" as used therein shall be deemed to refer to Trustee of the Foundation. In the event that any provision hereof is determined to be unenforceable as being contrary to public policy, the remaining provisions shall continue

to be enforced to maximum extent permitted by law. Any indemnification hereunder shall apply to persons who have ceased to have the capacity referred to herein and may inure to the benefit of the heirs, executors and administrators of such person.

ARTICLE XI

Amendments

After consideration by the Rules Committee, these Bylaws may be altered, amended or repealed by a two-thirds vote of the full Board, provided the proposed change shall have been mailed to the members of the Board not less than ten days prior to the day on which the vote is to be taken upon such change.

ARTICLE XII

Parliamentary Procedures

The rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern the Foundation in all cases to which they are applicable and in which they are not inconsistent with these Bylaws and any special rules of order the Foundation may adopt.

ARTICLE XIII

Conflicts of Interest

A motion decided, or transaction entered into, by or on behalf of the Foundation, Board, any Committee, or any Subcommittee may be invalidated or adversely affected by the fact any Trustee or employee had an undisclosed direct or indirect personal interest therein. Prior to action on such a motion or transaction, any interested Trustee or employee should fully disclose the material facts of such interest and thereafter refrain from voting on the motion, or authorizing the transaction. Such motion must be decided, or such transaction must be authorized, in accordance with the Bylaws. Any interested Trustee shall not be counted for purposes of a quorum, if applicable, and only disinterested Trustees shall be counted to establish any requisite number of Trustees for voting on, or authorization of, such actions. In the case of any transaction entered into by or on behalf of the Foundation, prior disclosure should be made to the Board, Executive Committee, and any Committee or Subcommittee with jurisdiction over the subject matter. The disclosure should be made to the entire Board, Committee, or Subcommittee, as the case may be, if the conflict of interest is known before any meeting thereof and action relating thereto is reasonably anticipated to be taken at such meeting; otherwise, disclosure should be made once such conflict becomes apparent. If a proper disclosure was not made, but subsequently discovered, the Board shall decide what the effect of such failure to disclose shall be with respect to any previous action, taking into consideration the circumstances and consequences thereof. Deliberate failure to make a proper disclosure of such material facts shall be good cause for removal from Trusteeship or staff employment, as the case may be.

**Application for Extension of Time To File an
Exempt Organization Return**

OMB No. 1545-1709

► File a separate application for each return.

- If you are filing for an **Automatic 3-Month Extension**, complete only Part I and check this box

►

- If you are filing for an **Additional (not automatic) 3-Month Extension**, complete only Part II (on page 2 of this form).

Note: Do not complete Part II unless you have already been granted an automatic 3-month extension on a previously filed Form 8868.

Part I Automatic 3-Month Extension of Time - Only submit original (no copies needed)

Note: Form 990-T corporations requesting an automatic 6-month extension - check this box and complete Part I only

►

All other corporations (including Form 990-C filers) must use Form 7004 to request an extension of time to file income tax returns. Partnerships, REMICs and trusts must use Form 8736 to request an extension of time to file Form 1065, 1066, or 1041.

Type or print	Name of Exempt Organization GEORGE C. MARSHALL RESEARCH FOUNDATION	Employer identification number 54-6052427
File by the due date for filing your return. See instructions	Number, street, and room or suite no. If a P.O. box, see instructions. P. O. BOX 1600	
	City, town or post office, state, and ZIP code For a foreign address, see instructions. LEXINGTON, VA 24450	

Check type of return to be filed (file a separate application for each return):

- | | |
|--|---|
| <input checked="" type="checkbox"/> Form 990 | <input type="checkbox"/> Form 990-T (corporation) |
| <input type="checkbox"/> Form 990-BL | <input type="checkbox"/> Form 990-T (sec. 401(a) or 408(a) trust) |
| <input type="checkbox"/> Form 990-EZ | <input type="checkbox"/> Form 990-T (trust other than above) |
| <input type="checkbox"/> Form 990-PF | <input type="checkbox"/> Form 1041-A |

- | |
|------------------------------------|
| <input type="checkbox"/> Form 4720 |
| <input type="checkbox"/> Form 5227 |
| <input type="checkbox"/> Form 6069 |
| <input type="checkbox"/> Form 8870 |

- If the organization does not have an office or place of business in the United States, check this box

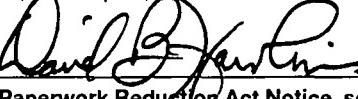
►

- If this is for a **Group Return**, enter the organization's four digit Group Exemption Number (GEN) _____. If this is for the **whole group**, check this box ► . If it is for part of the group, check this box ► and attach a list with the names and EINs of all members the extension will cover.

- I request an automatic 3-month (6-month, for 990-T corporation) extension of time until **AUGUST 16, 2004**.
to file the exempt organization return for the organization named above. The extension is for the organization's return for:
 ► calendar year **2003** or
 ► tax year beginning _____, and ending _____.
- If this tax year is for less than 12 months, check reason: Initial return Final return Change in accounting period
- a If this application is for Form 990-BL, 990-PF, 990-T, 4720, or 6069, enter the tentative tax, less any nonrefundable credits. See instructions **\$ _____**
- b If this application is for Form 990-PF or 990-T, enter any refundable credits and estimated tax payments made. Include any prior year overpayment allowed as a credit **\$ _____**
- c **Balance Due.** Subtract line 3b from line 3a. Include your payment with this form, or, if required, deposit with FTD coupon or, if required, by using EFTPS (Electronic Federal Tax Payment System). See instructions **\$ _____ N/A**

Signature and Verification

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete, and that I am authorized to prepare this form

Signature ►  Title ► **CPA State of Virginia** Date ► **5/7/04**
LHA For Paperwork Reduction Act Notice, see instruction Form 8868 (12-2000)